The China Weekly

REVIEW

密勒氏評論報

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August 26, 1939

The Soviet-Reich Bombshell

AN EDITORIAL

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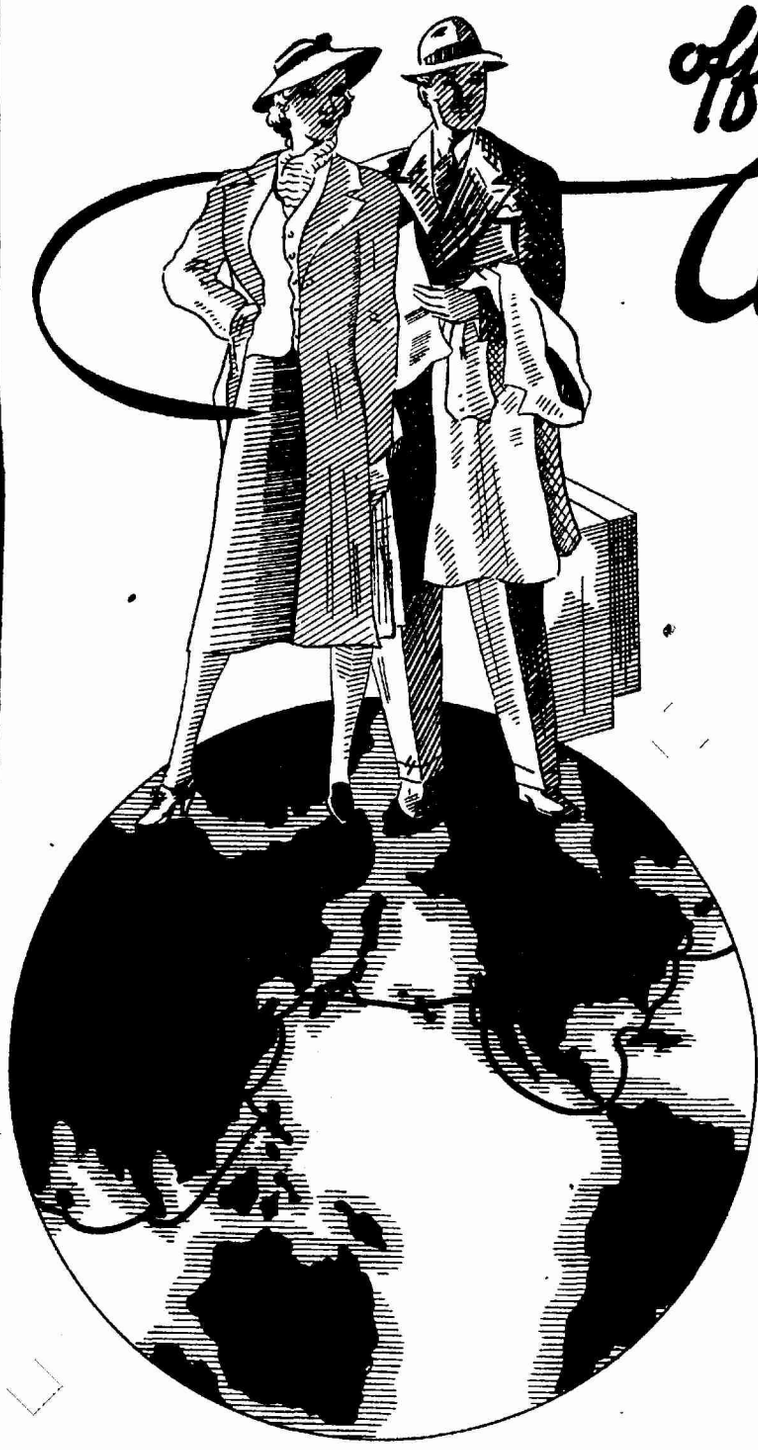

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The story of the four Chinese "suspects" in Tientsin whom the British Government decided to surrender to the Japanese in the face of military intimidation has been one of the most dramatic developments of the China war.

The interest was further heightened when two British liberals came to the four men's aid and applied for a writ of habeas corpus in the British Supreme Court for China.

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What People Are Saying

Comments from Readers on Current Topics are cordially invited; their opinions, however, do not necessarily represent the views of the *China Weekly Review.*

KUNMING COLLEGE LIFE

To the Editor:

The "Marching University" at last settled down at Kunming about one and a half years ago. Not long after its arrival, it was reorganized and there appeared a university called The National South-western Associated University, which is composed of three universities; namely, Peking, Tsing Hwa and Nankai. Not long after its appearance, hundreds of students came to the old city either in multitudes, marching over a distance of 994 miles, or in twos or threes from various places. They were all high-spirited, full of hopes.

Agricultural School

Then, with the students of the former three institutions, they began their work and started all together a hard life at the moment of national crisis. The light of education was lit again in this ancient city in the remote province of Yunnan.

The Associated University, now consisting of about 1,900 people, both professors and students, is situated in the western suburbs of Kunming. The buildings, the library and the dormitories belong to the local Agricultural Professional School, of which I enclose a picture.

It is a nice place. The West Mountains, sometimes crowned by gorgeous clouds, stand three or four miles away from the school. Such splendor of surroundings is seldom seen. The dormitories for boy students are located not far from the school; yet every morning the students have to walk along the gravel road, often crowded with donkeys and cattle, about ten minutes to school. If it rains, they have to tramp along the muddy road or wade across the stream. The engineering college is in a ruined temple in the eastern part of the city, where every student has made himself well acquainted with the Buddhist images.

Certainly, the students' life as a whole is extremely difficult. The college work is heavy. The school authorities decided to make the students work harder so as to make up what was lost during removing and travelling. The students, of course, have little time for extra-curricular activities but in spite of the heavy work they still make use of their spare time in staging patriotic plays, teaching illiterates, and participating in propaganda work in the rural districts. The most enthusiastic student activity was the torchlight procession held on the evening of Youth Day, May 4, in which the students of the Associated University were the leading student body. They scarcely murmur against the hardships of life, for they see the breaking down of the feudal system and the establishment of a new constructive order.

A number of students have been living on refugee funds, each receiving seven dollars a month. But seven dollars is far from enough, as the prices of articles of daily use and of food are incessantly increasing. The fearful poverty is, moreover, accompanied by trachoma, typhoid fever, scarlet fever and malaria (which is a year-round disease in Kunming). Knowing the nation is at war, and the meaning of the war, the students are willing to endure anything. There have been some victims of epidemics due to lack of medical supplies. The students are now living on emergency diet, which doubtless affects their health. There is no electric light or running water.

In such an atmosphere what are their recreations? Attending meetings, watching matches, and listening to speeches are the usual forms of student recreation. Poor students seek pleasure in sleeping, reading or chatting with their friends. To them there is not much distinction between Sundays and week-days. Hard-working students make love with books. Some keep busy with part-time jobs and some pursue the fair sex. In this old city one can hardly find proper means of spending his leisure time.

I must not forget to say that because there is no proper recreation, students' interest is shifted to the work of national salvation and service in the rural districts. These intellectuals are all strenuous workers who proudly impose upon themselves the responsibility of raising the local conditions to a higher level, so that Yunnan, once the remote border province but now the intellectual and communicating center, will be in truth the birthplace of a New China.

WU YU.

June 15, 1939 Kunming,

AGAIN!

To the Editor:

I appreciate very much the fine service you are doing with **The Review.** My wife and I look forward to the coming of the paper every week.

J. B.

Tsingtao, Aug. 15, 1939

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

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Announcement of Reich-Soviet Non-Aggression Pact Comes as Bombshell in Tense European Situation

The Soviet-German Non-Aggression Pact has been Signed

BLASTING Anglo-French hopes for the creation of a "peace front" in Europe against further Nazi expansion, Germany and Soviet Russia this week announced the imminent conclusion of a non-aggression pact hard on the heels of a trade agreement between the two countries which in itself was an event of singular significance. Easily the most sensational diplomatic event in all the years since the end of the World War of 1914-18, the German-Soviet get-together, long predicted by the more perspicacious of political observers, has transformed at one stroke the entire situation in Europe and may be expected to have similar results in the Far East.

Even if there were no formal non-aggression pact between the two countries, the new trade agreement, signed in Berlin on Aug. 19, would carry with it important political implications. It provides for a German credit to Soviet Russia of 200,000,000 marks, to be employed for the purchase of German machinery and other finished products, while Germany will buy raw materials and foodstuffs from Soviet Russia to a value of 180,000,000 marks. The average term of the German credit is seven years. Thirty per cent of it will be liquidated in six and a half years, 40 per cent in seven years, and the remaining 30 per cent in seven and a half years. A long-term trade arrangement of this kind would never have been entered into had there been the slightest possibility that Soviet Russia would ally herself with the western democracies against Germany. The non-aggression pact about to be concluded merely underlines the point.

News of the German-Soviet deal came as a veritable bombshell to the chancelleries of Europe. Few diplomatic happenings have been so effectively shrouded in a veil of secrecy. Soviet intelligence agents managed to ferret out the news of the so-called Anti-Comintern Pact between Germany and Japan, and the political agreement which it was designed to conceal, in 1936 (see article by W. G. Krivitsky in *The Review* for May 27, 1939), but the sleuths of the British, French, Polish and Japanese secret services apparently failed to discover that Stalin and Hitler were busy negotiating a political agreement of transcendental importance. No wonder the first comment to come out of London this week was the single word "Unbelievable!"

Yet it could have been foreseen and was foreseen by those who refused to allow wishful thinking to take the place of calm, objective judgment. Many people were deceived by the "negotiations" which Moscow has been conducting for more than three months with Great Britain and France. It must now be apparent to all that these talks, and the propagandist hullabaloo which was allowed to surround them, were Moscow's way of increasing its bargaining power with Berlin and nothing more.

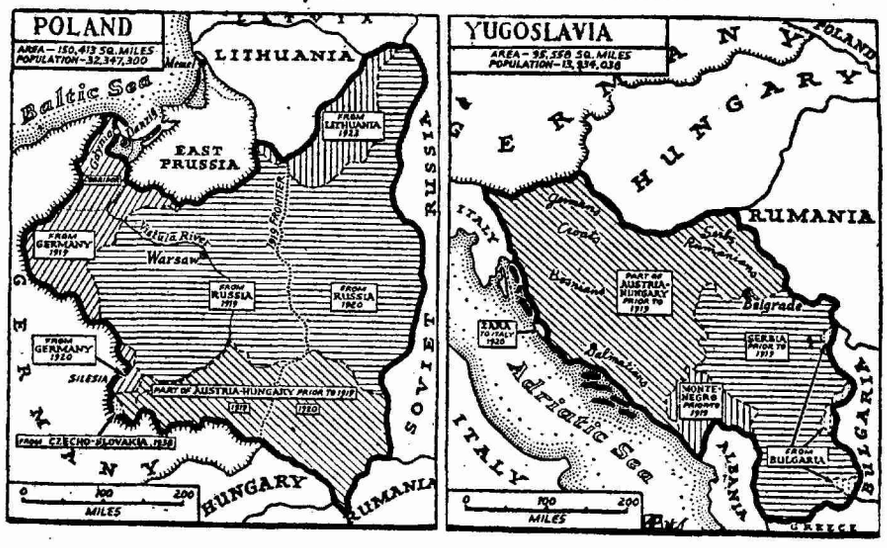
The Tribune, London

"I keep him to remind me of Munich!"

It may be taken as certain that the Moscow-Berlin negotiations have been going on for some time. The non-aggression pact which is about to be signed is no sudden inspiration on either side. Its concrete origins date back, in all probability, to the beginning of May, when Maxim Litvinov, Soviet Foreign Commissar, was relieved of his post and replaced by the more tractable Molotoff. Keen observers saw in this move the plainest of indications that Soviet foreign policy was about to undergo reorientation. By the dismissal of Litvinov, Stalin in effect intimated that he had taken personal control of Kremlin foreign policy.

What was Stalin's attitude toward Germany? It is useful to recall what W. G. Krivitsky, who between 1935 and 1937 was the chief of the Soviet Military Intelligence Service in Europe, and who is now an exile living in the United States, had to say on the subject: "There is probably no more widespread myth in the world today than the one which presents Hitler and Stalin as mortal and irreconcilable enemies. It is a distorted, perverted picture, created by clever camouflage and the vaporings of propaganda. The true picture of the relations between Stalin and Hitler is that of a persistent suitor who will not be discouraged by rebuffs.

The Map as it Looks at the Moment



Stalin is that suitor. There is enmity on the side of Hitler. On the side of Stalin there is fear. When the great myth of the Hitler-Stalin feud is exploded and the story of their relations is traced in their true light, the facts will show that Stalin has, since the death of Lenin, been the first among the Soviet leaders to favor close cooperation with Germany. If one can speak of a pro-German in the Kremlin, Stalin has been that figure all along."

Those lines were written in April. It has taken less than four months to explode the myth to which their author referred. Many people will now have to revise their views of the role of Stalin's government in European and world affairs. Left-wing critics of the Chamberlain government have never tired of asserting that the British Tories were the real obstacle to an agreement with Moscow and that they were actually sabotaging the parleys in the Soviet capital. This week's developments have proved just the opposite. They reveal that Moscow has been playing a double game—as many long since suspected—and that it was played with no mean degree of skill. Britain and France became pawns in a diplomatic game whose end was regarded in Moscow as a foregone conclusion. By coming to an agreement with Germany, Soviet Russia has served notice on the world that she does not intend to become embroiled in any war between the Axis powers and the democracies if she can avoid doing so. Moscow is drawing its outside stakes and retiring into the nearest approach to isolation from European conficts that her diplomacy can devise.

By the conclusion of a non-aggression pact, Germany and Soviet Russia have subjected the European democracies, and above all Great Britain, to a humiliation whose depths are difficult to plumb. More than three months of negotiations during which innumerable concessions were made to Soviet demands, negotiations designed to create a firm military alliance between the democracies and Soviet Russia against Germany, end—*in a Soviet-German non-aggression pact*! The humiliation is deepened by the fact that Moscow managed to keep the negotiations going, stringing Britain and France along, right up to the moment that the pact with Germany was announced. The British and French negotiators in Moscow will depart from the Soviet capital with feelings that can better be imagined than described.

It is not possible at the moment to foresee all the consequences of this sensational move on the chessboard of international politics, but the immediate consequences are plain. Hitler will now be able to absorb Danzig with little risk of war. The agreement with Moscow assures Russian neutrality. In pledging military assistance to Poland, Britain and France both banked on an agreement with the Soviet, for without immediate Soviet aid to Poland in the event of an attack, implementation of the Anglo-French pledge would be extremely difficult and perhaps highly inadvisable from the military point of view. Polish intransigence has reflected a feeling of strength and assurance derived very largely from the Anglo-French pledge. That intransigence may now be expected to take on a paler hue, for Britain and France are not likely to go to war over Danzig unless—and this remains a possibility—they decide the time has arrived to embark on a preventive war against Germany. This is a very remote prospect, however, for the democracies would then have no choice but to place themselves in the position of "aggressors."

And so, as it seems at the moment, the Danzig question is likely to be settled by negotiation between Germany and Poland. The Free City, danger spot of Europe for months, will return to the Reich and with it, perhaps, the Polish corridor. The extent of the German-Soviet understanding is still unknown. It is not impossible that Poland will be completely dismembered, with Germany taking the western frontier regions of the country, where there is a large German minority, and Russia taking the eastern or Ukrainian section.

Equally important developments may be expected in the Far Eastern situation. Now that Germany is allied (even if only to the extent of a benevolent neutrality) with Soviet Russia, the talk in Tokyo in recent weeks of Japan entering into a military alliance with the European Axis powers appears as so much pitiful nonsense. Japan tried to frighten the western democracies with the specter of an alliance. It has turned out to be a specter and nothing more. Germany is not going to jeopardize the valuable profits of the agreements with Russia by entering an alliance with Russia's enemy in the Far East. Apparent Germany receptivity to the idea was useful as a bargaining point with Moscow and no doubt was used to the full. Japan is now left "holding the bag."

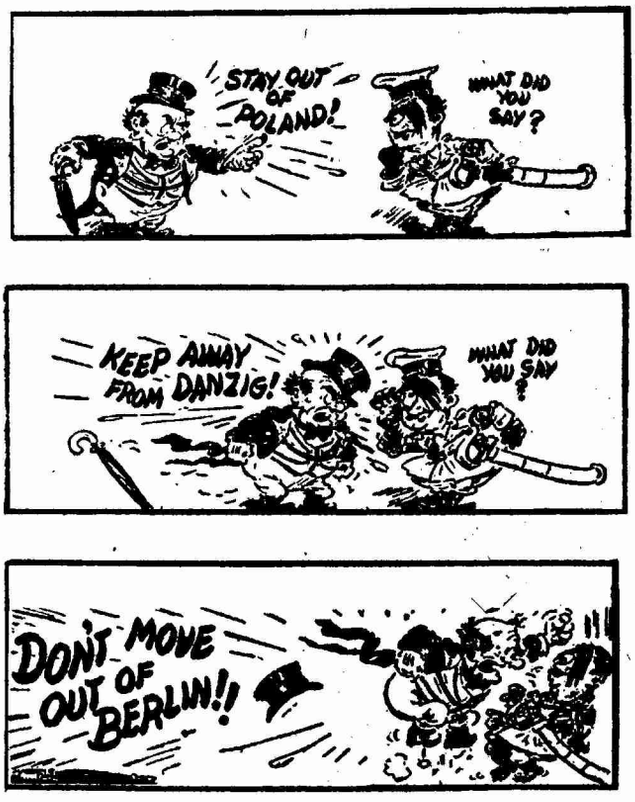
South Wales Echo

Henceforth, the imperialists of Dai Nippon will have to tread with extreme wariness on the borders of Siberia and Outer Mongolia. Freed of immediate menace on her European frontiers, Soviet Russia is likely

WAR CLOUDS OVER EUROPE

The German Army is mobilized and seizure of Danzig and the Polish Corridor by Germany is believed to be imminent following the German-Soviet rapprochement. Britain and France have reiterated their intention to stand by their pledges to Poland and are making full military preparations. Chancellor Hitler has replied unfavorably to a personal message from Prime Minister Chamberlain. The British Parliament has been called into session by radio to authorize special emergency measures. President Roosevelt is said to be preparing an eleventh hour appeal for the maintenance of peace.

Hard of Hearing



Russell in the Los Angeles Times

to display a much sterner front to the adventuristic Japanese militarists.

More importantly, Japan will now have good reason to reconsider her policies toward third-powers in China. Unless she is to be completely isolated in the world, she will have to find some way of patching up her quarrels with these powers. The Anglo-Japanes-negotiations in Tokyo, which seemed on the verge of complete and irrevocable breakdown, may take a fresh lease on life—unless the military arm of the Japanese government makes that impossible.

And how will China be affected? The German-Soviet pact undoubtedly lays the basis for an Anglo-Japanese agreement. Both Britain and Japan will have good reasons for wanting such an agreement. If an agreement is reached, it must inevitably be a give-and-take affair. China may find herself a pawn in a new diplomatic game, although the United States may be expected to present a firm front against any attempts to sacrifice this country on the altar of a new Anglo-Japanese alliance. There are many more facets to the situation than have been dealt with here and coming events will make it possible to deal with them more concretely than is possible now. Meanwhile, the lesson for China, which cannot be too insistently stressed, is that she must rely on her own people and her own arms in the struggle to free herself from invasion and to establish her national independence.

Countess Ciano Said Madame Du Barry of Italian Politics

The accompanying picture of Countess Ciano, daughter of Mussolini, who is a former resident of Shanghai, appeared on the front cover of *Time*, American national news magazine, on July 24. Countess Ciano was described as the "Lady of the Axis" in the accompanying article which occupied several columns in the magazine. The writer of the article said that when a complete unexpurgated account of Mussolini's life is finally written, Daughter Edda may rank as one of Europe's most successful intriguers and string-pullers, which would make her a sort of twentieth-century successor of the Comtesse Marie Jean du Barry, brilliant mistress of the weakling King Louis XV of France. While the Italian

The Lady of the Axis

Countess Edda Ciano, nee Mussolini

Fascists rule that woman's place is in the home and that they have no place in politics, the role that Edda Ciano, nee Mussolini, has played in the momentous recent realignments of Europe, has only been half-concealed by the Italian Dictator. She is said to be much superior in political perspicacity to her husband, frequently described as "mediocre," but nevertheless generally regarded as the logical sucessor to Il Duce.

A romantic story about her is that she is not the daughter of the present Mrs. Mussolini, but is the product of a *grande passion* between Benito Mussolini, the young radical socialist, and a Russian woman socialist. She was 19 at the time of her marriage to Ciano, then Italian diplomatic representative in China, which makes her 28 or 29 now. Ciano was first secretary in the Italian Legation in Peiping, then Consul-General at Shanghai, and later Minister to China. Following his recall to Italy he became Under-Secretary of State, then Minister for Press and Propaganda and finally Foreign Minister. While in Shanghai, Countess Ciano was well-known among the wives of American naval officers and was said to have acquired much of her present knowledge of the American language, including slang, from them. She nicknamed her first child, Fabrizio, "Little Chink."

The Tide of Jewish Refugees

3. Wanderers in a World Without a Visa

BY JULIUS RUDOLPH

IN the early summer of 1939, a few hundred Jewish emigres from Germany were waiting in Rumanian ports for opportunities to travel to America or Australia. Most of them had come directly from German concentration camps by way of the Danube which, being an international river, made it possible for them to travel without any visa but did not offer them any chance to land. Refugee committees were unable to find any port of entry for these people, and they advised them to go to Shanghai.

Other refugees who possessed genuine visas had the same experience, for many of the overseas countries cancelled all visas granted by their own consulates or, as in the case of Havana, changed their immigration laws while the refugees were en route. A few of the emigres were able to land in Santa Domingo, others were allowed entrance to Holland, and some found refuge in Panama, but the great majority were forced to journey to Shanghai.

The writer has spoken with more than 200 refugees in Shanghai from all strata of society. From these conversations, he can state that not even 10 per cent of all the newcomers came here hoping to establish permanent homes.

There was the case of Mr. A., a man 46 years old, who had left Austria in 1939 where he had formerly owned a prosperous factory. He was sent to a concentration camp in March, 1938, where he stayed for 14 months. When he left the camp, he was a broken man. His brother had been killed on the famous 10th of November, 1938, when hundreds of Jews were killed in Greater Germany and thousands were put in prison. While he was in the camp, his wife died. She tried twice to commit suicide and had gone completely insane.

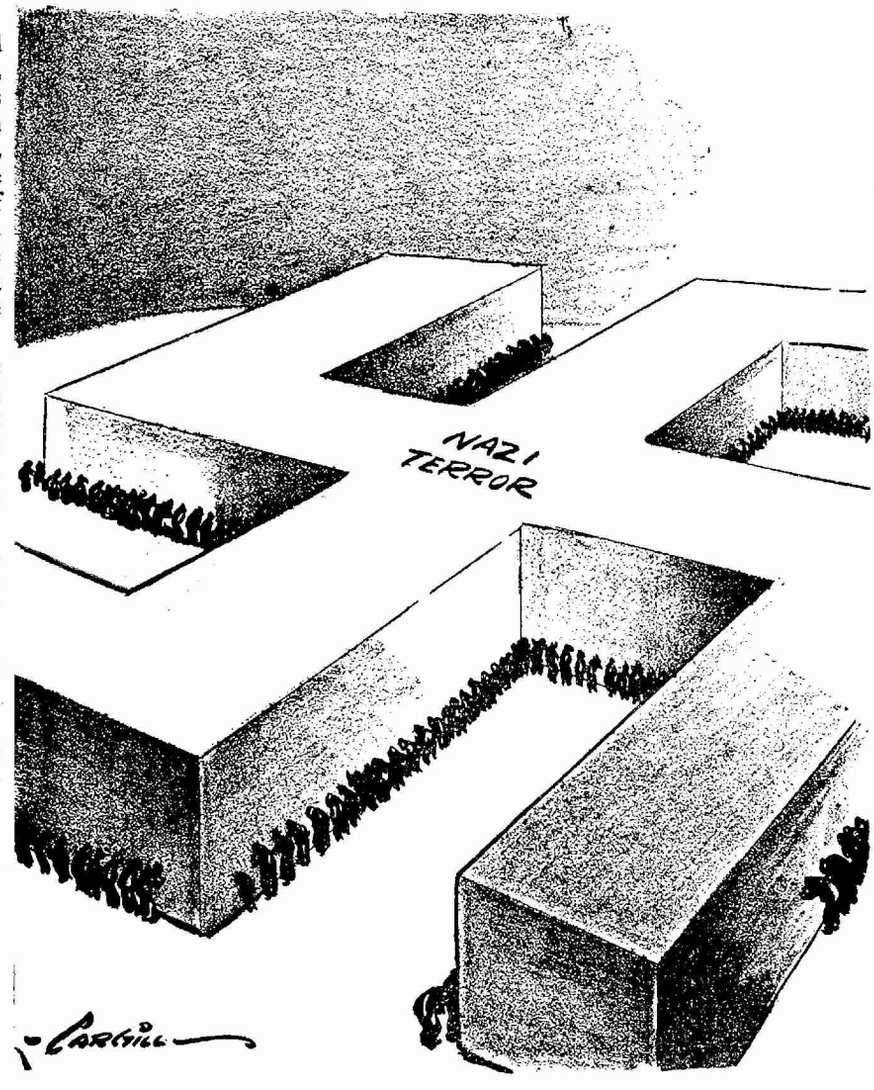
The man's mill was "sold," but he had never received a cent for his former property. Mr. A. was fortunate enough to get a "foreigner passport"—he was born in a town now belonging to Poland—in order to leave Austria. He even signed a paper undertaking to leave Austria within a certain time, but was unable to get a visa for any foreign country. One extension of time was granted him, but when after five days he was still unable to obtain a visa he had either to leave immediately or go back to the camp.

Mr. A. reached the French border where he was aided by some of the Storm Troopers to cross the frontier during the night. In return for his last few marks they gave him a map showing the best route for him to follow. At a French town nearby, Mr. A. begged for alms from Jewish families. They gave him some francs and a ticket for Paris where he appealed to "Hicem," the International Refugee Committee. The committee, however, was unable to help him since he had entered the country secretly and without a visa. They gave him a letter to the Prefecture where he received permission to stay for two weeks in France. At the end of that period he was arrested.

To make the story short, the man was expelled from France, but, being unable to find anywhere to go, he was arrested again and again. The judge himself admitted that the man's crime was an insoluble problem so long as he could not get a visa. At last he was able to get passage to Shanghai on board a French steamer. This man, who until March, 1938 had been a wealthy mill-owner, arrived here without family or money, a beggar. He was able to substantiate his story, but it was only under the greatest persuasion that he agreed to talk at all.

Mr. B. was once an eloquent lawyer. Today, he will not speak one word. He is not insane, but he lives in great fear. His story was learned from Mr. and Mrs. C. whose laywer he had been for more than ten years. Mr. B. was confined in a concentration camp for 21 months where an ex-criminal, who had once been

The New Wailing Wall



convicted by virtue of an action brought against him by Mr. B., was one of the chief officials.

Mr. D's father was burned alive on the 10th of November, 1938. The son was taken into a camp where he remained until March, 1939. Mr. D. has a strange manner of speaking, and from time to time he covers his eyes with his hands. Waking or asleep Mr. D. is haunted by the sight of his father in the burning house.

Mr. D. arrived in Shanghai with only three Chinese dollars in his pocket, but after he had been here only a short time, an opportunity came for him to go to America. Relatives in South America sent him passage money to Havana, where he was to wait until other relatives would take him to the United States. The day Mr. D. left Shanghai, he heard that his brother had just died in a concentration camp in Germany. Mr. D. never reached Havana. He committed suicide on the ship.

The committee in Shanghai has strictly forbidden the refugees to talk with writers or newspapermen. The committee does not wish to have any trouble with the authorities, and the individual members are unwilling to give any information about the experiences of their proteges. Most of the refugees are, therefore, very careful. Nevertheless, some of those who have undergone the most terrible experiences cannot help talking.

Mr. E. and Mr. F. who were inmates of the same concentration camp told us the same stories when we spoke with them at different times. These men still have relatives in Greater Germany, and are unwilling to have their names published or even to have any close description of them written. They feel that their families are hostages. Their bodies still bear the marks of the whips with which they were lashed, but these were not the worst of the cruelties they suffered. When they left the camp they were forced to travel directly to an Italian port without having any opportunity to visit their families.

Other refugees told us that they were not so badly treated in the camps, and some of them even had amusing tales of their experiences. Five of the persons we interviewed expressed themselves as content with their treatment in the concentration camps, but two of these were criminals. One of these criminals, who, by the way, did not like Shanghai because the competition here is too great, has already left this city. He received a visa for a northern European state only five weeks after he arrived in Shanghai.

Judging from the stories of the refugees, the treatment of Jews in the former Austrian territory was worse than in Germany. Many of the German officers there were only young members of the Party, and these youths had the greatest pleasure in "exercising" the persons waiting for passports. Most people entered the passport offices early in the morning after having waited some hours in the streets. To keep those waiting from becoming too stiff, the officers would order some nice exercises, especially preferring old men and young girls. Such treatment, however, is remembered only with indifference, sometimes even with amusement.

Mrs. G. has no such amusing memories. She had arranged to go to Shanghai with her husband who had left the concentration camp at the end of 1938. Tickets were booked for the Italian steamer *Conte Rosso*, when the husband was rearrested. Some time later her husband wrote that he would be freed if he could prove he could leave the country. Although the Shanghai authorities did not ask for visas, Mrs. G. went to the Chinese consulate and received visas; she also received a letter from the Italian Steamship Agency confirming their passage. These documents she sent to her husband by registered mail. There was no answer to her letter. She wrote again, and after some time had passed she received a letter by which she was ordered to visit the camp's office. There she was given a small box and an official announcement: "You are hereby asked to take over the ashes of your husband, Mr. G." Mrs. G. came to Shanghai alone. Here she met a man who had been confined in the same camp with her husband. He told her that Mr. G.'s death was caused by wounds he received when he was taken back to the camp for the second time. Mrs. G. found a job in Shanghai but lost it in a few days, for her employer was under the impression that she was a little mad.

As a matter of fact, 90 per cent of the refugees in Shanghai came here because they could go nowhere else. Mr. I., for example, left Germany in 1933 and went to Spain. When the Spanish civil war broke out, he was forced to go to Milan, Italy, where he shortly found a job. Unfortunately, the anti-semitic laws of this axis-state forced him to leave Italy, too, and he became

Tortoise and the "Herr"—1938-9

a refugee for the third time. This time he went to Switzerland where he had a permit to stay for four weeks. Having relatives in Equador, South America, Mr. I. was willing to go there and got a visa which the Paris agent, who arranged the whole matter, assured him was absolutely in order. In order to be on the safe side, Mr. I. asked the Equador consul in Switzerland, himself a Swiss, whether the visa was in order and received an affirmative answer. Mr. I. thereupon boarded an Italian steamer and journeyed to Equador where he found that his visa was a very good imitation of the real thing. His relatives were able to give him more money and he went back to Europe after having failed to get a visa for another South American state.

Mr. I. could only stay in Italy for two or three days; a visa for Switzerland was refused; he could get no visa for France. Finally, he bought a third class ticket for Shanghai and arrived here after an odyssey lasting for more than 16 weeks during which he had tried to settle in Spain, Italy, and South America.

When he arrived in Shanghai, Mr. I. was completely without funds, but being a clever person he soon found a job here. However, he now lacks confidence in the future, as do many of his fellow refugees. Many of those now living in Shanghai, jobless and homeless

could become valuable members of the community. They are persons of long experience and good reputation, but instead of working they are condemned to live like idlers, waiting for opportunities that do not come and gradually losing all the self-confidence they have left.

Many families have been separated. Mr. K's son and daughter-in-law were passengers on the now-famous German liner *St. Louis* which was chartered to take 944 Jews to Havana. Most of those travelers, like Mr. K's relatives, were in possession of American immigration permits and were intending to wait at Havana until their turn came in the immigration quotas. But although Cuba always had granted entry permits to those who would eventually enter the United States, the emigrants travelled to Santa Domingo, Panama and back to Europe. The German captain is said to have done everything he could for the refugees, but in spite of repeated radio messages to Washington, London and Paris it was weeks before England, France, Belgium, and Holland finally agreed to accept the 944 refugees.

Mr. K. was waiting in Shanghai to go to Cuba and join his family there. He was just ready to leave for Havana when he read of the action of the authorities prohibiting the landing of the passengers aboard the *St. Louis*. At this time, the family of Mr. K. is in Holland and he is still waiting in Shanghai. A nephew of Mr. K. was a mason in Germany. Son of a Christian father and a Jewish mother, he was a Protestant himself. As a so-called "50 per cent Aryan" he was not obliged to leave Germany. On the contrary, it was only with the greatest difficulty that he obtained permission and reached Shanghai in order to find his uncle. When we met the young man, he was trying to get some money to start as a peddler. "Why do you want to go about peddling?" we asked him. "You were a mason with a real handicraft, why do you not use it here?"

Some time later, the nephew did obtain work as a mason when a new refugee camp was erected, but other refugees have not been so fortunate in being able to do here the jobs for which they were trained. Mrs. L. was a dressmaker in Germany. In Shanghai, she is a hostess at a night club. Miss M., who had started as a medical student in Italy, after having left Austria, arrived in Shanghai penniless. She is now a taxi-dancer. While there is nothing tragic in being a taxi-dancer, it is indeed a pity that the profession of medicine is lost to her.

In June, 1939 the first of the so-called "Cape Ships," the German steamer *Usaramo*, arrived in Shanghai, bringing 460 refugees. In order to spare the Suez Canal tolls this vessel had been sent around the Cape of Good Hope, sailing 72 days. The fares were very high, food was more than modest and the treatment, naturally was more than disagreeable. Several of the stewards were agents of the *Gestapo*, the German secret political police. During the 72 days, the passengers were only once allowed to land. Many among them directly came from the concentration camps and as a matter of fact not all were political victims, but several real criminals were among them. Their fares were paid by the *Gestapo* from the confiscated Jewish fortunes being administered by the Nazi authorities.

Many of the immigrant merchants have opened shops, restaurants, and cafes, most of which are located in Hongkew. For a long time, the Japanese authorities offered no objections to refugee businesses. Only a few articles were published in Japanese papers in May, 1939, expressing the fear that the large number of refugees now residing in Hongkew would be a threat to Japanese merchants. Other writers, and even some Japanese officials, however, asserted that the refugees were a boon to Hongkew. They pointed out that most Japanese enterprises were small and unimportant while the refugees rebuilt demolished houses to found a new business center in the hitherto almost deserted streets of Hongkew.

Then came the unlucky day when a complete ban was imposed on further refugees residing or engaging in business in the Shanghai areas under Japanese control. That happened on August 11, and three days later the Shanghai Municipal Council and the Council of the French Concession announced that no more European emigres would be allowed to disembark at Shanghai. At that time approxiamtely 15,000 already lived in Shanghai and 3,000 more were en route. The ban came like a bombshell to the people living in Hongkew. Many of them expected the arrival of their families from Greater Germany within the next months and terrible scenes could be witnessed in the Camps and on the streets of Hongkew when the ban was published. Hundreds of families had hoped to come together but now will be torn asunder.

Several streets in Hongkew have taken on the appearance of a ghetto. From the economic point of view, this ghetto is important to Japanese merchants, for many of the refugees, influenced, perhaps, by the neighborhood in which they live, prefer to buy Japanese goods. Most of these goods are cheap, which is a great selling point. Japanese materials also have made it possible for the refugees to start new factories in which they use Japanese tools. One of these new factories has put a new radio on the Shanghai market which is 75 per cent cheaper than the lowest priced American radio in this city. The tubes and most of the other materials were made in Japan.

Rents in Hongkew are much lower than in the rest of the Settlement or in the French Concession. Somethimes the difference is as much as 75 per cent. While rentals continue to increase in the western-controlled areas, there are still plenty of vacant flats and houses to let in Hongkew. Most of the apartment buildings, it is true, are not very comfortable and it may be depressing to live in the midst of so many ruined houses and bare streets. It must be stressed, however, that the first necessity of those who left the refugee camps was to find a cheap place to live, and the second was to find cheap food. Both of these are plentiful in Hongkew.

All Hongkew market prices are lower than in the Settlement, due in great part to the Japanese anti-Settlement policy. The low cost of living goes far to offset the inconveniences of living on the north side of the Creek, and except for those who work in restaurants or night clubs, it is not at all important that the bridges which link Hongkew with the Settlement are closed to all traffic after two o'clock at night. Under these circumstances, it is clear that the refugees living in Hongkew have no desire to be mixed up in any political quarrels with the Japanese, for although the police force of Hongkew is part of the Shanghai Municipal Council's police force, the real authority is in the hands of the Japanese military.

Sometimes foreigners question the advisability of the refugees' residing in Hongkew under the authority of an axis partner when they have just left Germany or Italy. To the refugees, however, living in Hongkew is a necessity. Many of those who reside outside the refugee camps still must depend on these institutions for food, and the camps are all located in Hongkew. It would be impossible for them to live in the Settlement or the Concession because of the higher cost of living there. Also, many landlords in those two districts will not admit refugees to their premises.. The writer investigated ten advertisements for rooms which included the words "no refugees." Of these ten, only two were inserted by German landlords who could not have admitted refugees even if they had wanted to; among the other eight, five were Russians, two were British, and one was Italian.

The attitude of the refugees was well summed up by one young man to whom we spoke. "We don't

wish to be mixed up in political quarrels," he told us. "We had a lot of trouble in Germany, but now we have left there and come to Shanghai. We depend on the good will of those who, for the moment, are against the National Government of China and against the British; we are neither for nor against the National Government or the British. We are not even informed about the political situation. We have no part in it and we don't want any such part. In a situation like ours it would be ridiculous to see the emigres divided into two camps on political questions which, surely, have nothing to do with their own troubles."

Some of the refugees have started newspapers and magazines and although the style and quality of these publications differ, all the editors are clever enough to be absolutely neutral with reference to political questions in East Asia. They also are careful not to publish articles derogatory to the Nazi regime. Those foreigners who are surprised at the neutral tone of the publications must understand that the refugee editors would have no protection if they should attack the policies of the totalitarian states. The German colony of Shanghai and the refugees have no quarrel with each other at present, and the same members of the two factions have no desire for differences.

There are enough quarrels now among the refugees themselves, which in itself is not astonishing. The refugees are nervous and irritable because most of them are without work. Other refugee quarels are of a more interesting nature. Austrian and German refugees often come to blows, sure proof that the old antagonism between Prussians and Austrians is not dead.

We had an enlightening conversation with an American lady not long ago. She told us that the Russian and German groups in Shanghai were now the largest. The refugees she classed with the other German residents, giving as her reason that most of them had German passports; therefore, she said, they were Germans and if the Nazis should fall from power they would all be real Germans at once. The lady, however, erred. We asked 24 refugees from different professions how they felt about Germany. Eleven of them declared that they would never return to Germany. Six stated that they always had been Germans and neither in wish nor in fact could they become anything else. "Our education was German," one of the six told the author. "Whatever happens cannot change our feelings." Another of the six explained: "I fought in the army from 1914 to 1917. I was wounded and decorated. How can you ask me whether or not I feel as a German? Others have told me that I am no longer a German, but could I become a Negro on their word?" Four others stated that they would return to Germany if another regime came into power, but three maintained that they would willingly fight against a country where they and their relatives had been so cruelly mistreated. From these statements, it would seem that opinion is divided among the refugees, but that the majority of them would not be willing to return to Germany.

Once the writer had the opportunity to overhear an interesting conversation between two German refugees. The subject under disucssion was the booklet published in London by the German Jewish Relief Committee. The mainspring of the argument was furnished by one paragraph which read: "Refrain from speaking German in the streets and in public conveyances and in public places such as restaurants. Talk halting English rather than fluent German and do not talk in a loud voice. Do not read German newspapers in public." The argument hinged on whether the Relief Committee was within its rights in advising refugees not to use their own language. The lady held that the Relief Committee was being foolish. The man declared that since the Third Reich refused to acknowledge the refugees as citizens, the refugees, whatever they might be, had no claim to call themselves Germans.

The lady's emotional appeal about her German ancestors was countered with the more masculine logic of her companion. The real question, he explained, was this: The English, or the people of any nation in which the refugees find asylum, must know how the emigres feel about the Reich. For example, they must know how the refugees would feel in case of a war. Would the refugees be adversaries of the Reich? Would they feel that they have any political mission or would they be willing to settle down as loyal citizens of the state protecting them?

In Shanghai, perhaps, there is more ground for the refugees' desire to cling to their own language. Here there are Russian shops in which that tongue is the only one spoken. This is an international city in which every man speaks his own language. Refugees in England know that they owe their safety to the British and should speak that language. Those who are fortunate enough to gain entrance into America know that their children will grow up as Americans.

But what is Shanghai? Who is their protector here? Is it China or the Municipal Council of the International Settlement? Is it the Japanese who control that part of the city in which the camps are located, or is it the authorities of the Settlement? Those who do not know English already will undoubtedly learn it as quickly as possible, if only for the purpose of trade; it is not, however, at all certain whether they will ever cede to English the place now held by the German tongue, and the language a man speaks can be a powerful tie holding him to his own country.

Fourth Article Next Week

Washington Still Opposed to Change in Settlement Status

THE continued opposition of the U. S. Government to any change in the status of the International Settlement—during the course of the present hostilities—was indicated in a *United Press* dispatch from Washington on August 17. The dispatch was signed by Weldon James, previously stationed here, who was one of the heroes of the Panay incident. Mr. James quoted Sumner Welles, Under-Secretary of State, to the foregoing effect. Mr. Welles referred to the *aide memoire* sent to Japan on May 17 in which the United States maintained that "present conditions in China were unfavorable for consideration of the Japanese proposals. "In reply to a question, Mr. Welles said:

"This still is the attitude of the United States Government on this question."

In reply to a further question referring to the action of the Douglas Aircraft Corporation in selling a 48-passenger plane to the Japan Air Transport Company, Mr. Welles said that the State Department's opposition to the sale of planes to countries which bomb civilian populations had not changed. In this instance the contract had been made prior to the announcement of the State Department's policy of a "moral" embargo on the sale of war planes to Japan.

Senator Elbert D. Thomas, a leading member of the Foreign Relations Committee, expressed doubt regarding the ability of the U. S. Government to hold Japan legally responsible for trade discriminations against American interests in China. The reason was, in the Senator's opinion, that such an attitude on the part of the U. S. Government, "would imply American recognition of Japanese sovereignty over Japanese-occupied regions in China." He therefore urged that the relations of the United States and Japan be placed on a legal basis. However, such could only be possible in the event the Japanese changed their policy, he said. He expressed the belief that the Japanese might soon take steps to improve their relations with the United States. This would make it possible for a re-examination and re-adjustment on the part of Japan with regard to her attitude on the question of balance of power in the Orient. Belief was expressed that changes in the world situation would cause Japan to abandon her move to cement military ties with the axis powers in order to avoid antagonizing the United States. One Senator declared that Japan "should recognize the impracticability of entering into an axis combine when her commerce and her entire western heritage linked her with the democracies rather than with the totalitarian states. He stated,

"I am sure that the best minds in Japan want her house placed in order and to achieve normal relations with her normal neighbors . . . . unless Japan mends her ways, she will destroy herself . . . . I earnestly hope that Japanese-American relations can be adjusted soon."

It was urged in various quarters that the Administration should attempt to negotiate a new trade treaty with Japan "on a sound basis, and without recognition of the crimes committed by the Japanese military in China." Senator Thomas said there was some doubt in some quarters regarding the wisdom of the abrogation of the Japanese-American trade treaty of 1911, but the "entire situation in the Orient had produced the result of popular feeling staging a revolt against the inhuman Japanese practices in China."

Senator Thomas reiterated that a re-adjustment of relations between the United States and Japan on a more sound and friendly basis would only be possible "if Japan modified her actions . . .

Uncertainty

New York Times

otherwise the United States would face the inevitability of launching numerous measures—short of war—to enforce her rights."

The solution of the problem "might involve the readjustment of the balance of power in the Orient," Senator Thomas declared, and stated further that the United States was in an ideal position to readjust its relations with Japan because it is not materially involved in China (?). The United States, he said, "had already indicated its intention of eventually yielding exterritorial rights and other special prerogatives because it possessed no large interests in China." This, in his opinion, explained why American relations with Japan were less tense than were the relations of Britain and Japan.

In concluding his interview, Senator Thomas expressed the view that American differences with Japan were chiefly concerned with the "humanity" of Japan's actions in China. He said that Japan had treated Americans in Japan "the same as the United States had treated the Japanese in the United States." He therefore believed that an early solution of the differences between the two countries "would merely require negotiations, the good faith of the Japanese and their willingness to yield some advantages on behalf of attaining better relations with the United States."

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A dispatch from Washington (*Transocean*) on Aug. 15 said that the State Department was exploring the possibility of extending the "moral embargo" on export of airplanes to cover sales of other war materials to Japan. It stated that the success which had followed the "moral embargo" on airplanes had led to the belief that it would be possible to include other articles such as scrap iron and other war materials, without recourse to legislative enact ment as is implied in the Pittman Bill now pending in the Senate. Senator Pittman wired Chungking last week that the United States "would never recognize the 'new order' which Japan is trying to create in China in violation of her treaty obligations."

Other recent developments in the United States, since the adjournment of Congress, have indicated the determination of Administration leaders to prepare for eventualities. President Roosevelt announced, prior to the beginning of his present vacation cruise, that he was prepared to call a special session of Congress in the event a crisis developed in Europe. But of possibly more significance was the report from Washington on Aug. 18 that the Government was taking steps to immediately convene the War Resources Board, the duty of which would be to transform industry from a peacetime to a wartime basis. The Board would also examine the mobilization plan for industry. It was stated that Bernard Baruch, who was chairman of the Board in the previous World War, would be coopted for service on the new body.

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Of special interest in China was the announcement of Secretary of Agriculture H. A. Wallace, of the immediate inauguration of cotton export subsidies amounting to 1½ cents (US) per pound, which will remain in effect until June 30, 1940. Secretary Wallace also announced that the subsidy on the sale of raw cotton would be extended to include cotton cloth, the subsidy on cloth sold abroad ranging from 1 cent to 2.10 cents (US) per pound net weight, depending on the character of the goods. The Government's object in paying subsidies on the export of cotton and cotton cloth, in the opinion of observers, was to keep control of the world's cotton trade and prevent the development of rival cotton acreages in South America and in China by the Japanese or other interests. It was forecasted that the enforcement of the subsidy policy would make it unprofitable for the production of cotton in other countries. Mr. Wallace announced that the purpose was to retain a "fair share" of the world's cotton trade.

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Col. Theodore Roosevelt, National Chairman of the United Council for Civilian Relief in China, announced on Aug. 18 that another series of nationwide "Bowl of Rice" parties would be held throughout the United States. The Rice Bowl parties will be the occasion for a national appeal for relief of civilian war sufferers in China, he stated. The appeal last year resulted in the contribution of several thousand dollars for relief purposes in China.

The Rice Bowl parties will be held in the week of October 13, embracing the Chinese national holiday on Oct. 10, according to Col. Roosevelt's announcement. Last year the governors of 17 states and mayors of 300 cities proclaimed "humanity" days for the parties. Under the plan, the guests at the parties will confine themselves to a bowl of rice and contribute the saving on the cost of a regular meal to the relief of Chinese war refugees.

Australian Radical Becomes Center of California Labor Fight

HARRY Bridges, an Australian-born radical labor leader, has become the center of a serious political struggle which extends from the Pacific coast to high circles in Washington, D. C. How long Bridges has resided on the U. S. West coast is not known, but he probably arrived there as a stevedore fifteen or twenty years ago and never took the trouble to become an American citizen, although active in the labor union movement as it affected dock-workers from California to and beyond the Canadian line. Bridges was said to have taken out his first papers on two separate occasions but in neither case completed his citizenship formalities, which require continuous residence for at least five years and an oath of allegience to U. S. A.

It was not until he became leader of the Pacific Longshore Labor Union, branch of the C. I. O. (Committee on Industrial Organization) that he became a political issue due to a charge that he was a member of the Communist Party. Under American law an alien Communist is subject to deportation. For some time it was charged that Bridges was being protected by Miss Frances Perkins, Secretary of Labor in President Roosevelt's Cabinet, and on one occasion a senator brought an impeachment charge against her for this reason. The charge was, however, withdrawn apparently on the ground that Madame Secretary of Labor Perkins would order an official inquiry into Bridges' status.

The inquiry has now been in progress for several weeks and is being conducted before Dean James M. ("Chink") Landis of the Harvard Law School. Aside from the political elements involved, the chief enemies of Bridges are the officials of the conservative parent labor organization in the United States, the American Federation of Labor. The specific charge against Bridges is that he was a member of the Communist Party last April when the original deportation proceedings were instituted against him. This technical element is involved due to a decision of the U. S. Supreme Court in an earlier case (Strecker) where it was ruled that "temporary Communism" later discontinued, was not a deportable offense.

Bridges is being defended by Carol Weiss King, 44-year old

Manhattan widow, described as "short, swarthy, athletic, with bushy eyebrows and thick eyeglasses," who has had extensive experience in radical defense work. She opened her case with a charge that Bridges was being "railroaded" by powerful Pacific Coast shipping interests. It was also charged that Pacific Coast ship-owners became antagonistic to Bridges when they discovered that he was not amenable to "reason," otherwise financial inducements as allegedly had been the case with other leaders of the radical longshoremen's unions.

According to long accounts of the trial published in *Time* and *Newsweek* the hearings are being conducted in the U. S. Immigration station on Angel Island, San Francisco Bay. One of those who testified against Bridges, Major Lawrence Milner, retired, of the Oregon National Guard charged that Bridges had attended

Harry Bridges and his chief defender, Carol Weiss King.

meetings of the Communist Party in Portland, but avoided appearing in public with known Communists. It was later brought out, however, that Col. Milner had himself committed perjury, claiming that he had attended meetings of the Communist Party as a spy.

According to *Newsweek* (July 24) Bridges went to the United States in 1920 and was "just another seaman and dock-walloper on the San Francisco waterfront." In July 1934 he won fame in radical labor circles by leading the longshoremen's strike which tied up all Pacific Coast ports north of Los Angeles, ultimately developing into a general strike which caused havoc in San Francisco. The Australian again got into the headlines in November, 1936, by staging a general Maritime Federation of the Pacific walkout that became the most costly seamen's strike in America's history. This so impressed John L. Lewis that in 1937 he took Bridges on as organizer of Pacific Coast maritime unions on behalf of the C. I. O. Bridges thus became a national figure in American labor circles.

West Coast shipping operators demanded that Bridges be deported as an alien Communist, the charges being echoed in the conservative press, American Legion, the so-called Un-American Activities Committee of Congress which is headed by Representative Martin Dies. As a result of the agitation, Miss Perkins finally agreed to a hearing under the deportation clause. The chief legal Deputy Commissioner of Immigration concerned in the case is Thomas B. Shoemaker. At the opening of the hearing, Bridges, while admitting that he was an alien, denied that he had ever been a Communist. John L. Leech, a former Communist organizer on the West Coast, admitted under cross examination that he had been offered U.S.$10,000 to sign an affidavit against Bridges. He had testified that Bridges had attended Communist meetings.

The account in *Newsweek* stated that while Bridges' statements had stamped him as a Marxist, in order to obtain his deportation from the United States it must be proved (1) that he is *now* a Communist, and (2) that the Communist party advocates overthrowing the United States Government by violence—a delicate point which the Supreme Court carefully avoided in its ruling in the earlier Strecker case. It was stated that the conservative group in the A. F. of L. would be highly pleased if Bridges is deported and that the outcome of the case probably would be reflected in other anti-alien bills in Congress in the near future.

Owing to the effect of Bridges' activities on Pacific shipping, the case is being watched in all countries bordering on the Pacific.

China Participates in M. R. A. Congress at San Francisco

SEVERAL Chinese delegates and missionaries from China, including Bishop Logan H. Roots and his daughter Miss Frances Roots of Hankow, participated in the "Moral Rearmament Congress" held at the Golden Gate International Exposition at San Francisco on August 1. Chinese delegates included Dr. Joseph L. King, Miss Phyllis Teng and Dr. E. S. Tyau of Shanghai. In addition Miss Leatrice Wong (Huang Yen-I) broadcast a special message to the Far East over the famous Treasure Island Station.

The 1,000 delegates who attended the Congress included representatives of groups in Australia, Burma, China, Canada, Denmark, England, Egypt, Finland, France, Hawaii, Netherlands, India, Ireland, Jamaica, Japan, Kenya, New Zealand, Norway, Scotland, South Africa, Sweden, Switzerland and from practically every state in the U. S. A.

Bishop Roots also broadcast a message over the Treasure Island Station in which he declared that the present conflict between Japan and China constituted a challenge to Western civilization. He declared that Moral Rearmament chall nged the West, particularly the United States, to repent for its share in the conflict in East Asia. He said, "We have preached peace, and have harbored war in our homes, industries and government . . . I, like many Americans, have been sentimental about other countries and irresponsible about my own." He said that the chief trouble with China and Japan was that they had tried to settle their differences in the way the West had tried to settle its troubles by means of war.

Miss Huang said that Confucius had given China a revolutionary program more than 2,000 years ago. The program was embraced in the words of the great Sage. "Rectify your heart, discipline yourself, regulate your home, govern your nation—then you will have universal peace, . . The task of moral rearmament is to make this Confucian truth a reality . . . New men, new nation, a new world, this is the task of moral rearmament."

Miss Huang said that the Chinese delegation was convinced that Moral Rearmament constituted the answer to the chief problems of the country—national unity, social reconstruction, refugee camps and millions on the move. She declared her intention of returning and dedicating her life to bringing about the spiritual rebirth of the Chinese people. Miss Huang then read the following message to the Congress from General and Madame Chiang Kai-shek.

> "We respond wholeheartedly to your stirring call. Accept this expression of our unqualified support. The movement for moral rearmament may, we believe, eventually override the influence of power politics by harnessing the innate goodness and goodwill of every nation and thinking individual."

Chief speech at the Congress was delivered by Dr. Frank N. D. Buchman, founder of the Oxford group and initiator of the Moral Rearmament Movement, which he stated stood for four principles—honesty, unselfishness, love and purity. Another address which attracted attention was delivered by H. W. (Bunny) Austin, famous international tennis player, who attended as a delegate from Great Britain. Dr. Buchman also read a message addressed to the 350 Canadian delegates from King George VI and Queen Elizabeth.

Those sending greetings to the meeting included President Roosevelt, Herbert Hoover, Gen. John J. Pershing, Henry Ford, 34 state governors, 25 senators and leaders of civic, social and business organizations. Aside from the meeting at San Francisco, other sessions have been held at Los Angeles (Hollywood Bowl) and at Del Monte.

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Aside from the Oxford Group's Moral Rearmament Congress, there was another important religious gathering in the United States which attracted delegates from China. It was the sixth congress of the Baptist World Alliance which far out-distanced the Buchmanites by attracting 50,000 delegates from more than 50 nations. The Baptist Congress was held in Atlanta, and like the Oxford Group at San Francisco, took as its keynote the subject of world peace. The Congress set an example for peace by placing Negro workers on an exactly equal basis with the whites. A commission appointed to consider the question of world peace made a report through its chairman, the Rev. Dr. N. J. Nordstrom of Sweden:

> "As long as state sovereignty is maintained, war must be the *ultimu ratio* in international disputes . . Any effort for the abolishment of war and introduction of peace in the world . . must begin by a revisal of the general idea of the absolute sovereignty of the states . . Might and right are not opposed to each other . . Nothing is of greater importance than the establishment of an international jurisdiction on a basis of moral convictions generally accepted. . . There seems to be no ethical objection to the formation of an international police force."

And so, militantly, the Baptists proposed clamping down on international agitators until such time as "changed people can change the world." But the same report upheld the right of pacifists to refrain from even non-military service in wartime, if their consciences so dictated.

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According to *United Press* report from San Francisco on Aug. 18, American missionaries to the number of 65 sailed for the Far East aboard the Japanese steamer Kamakura Maru. The missionaries were bound for various inland points in China and Japan. The group included four Jesuit priests, several nuns and many Presbyterians, Unitarians, Seve th Day Adventists and other denominations. Most of those aboard the ship were returning to their posts from vacations and speaking tours in the United States, but more than a score were coming out for the first time to replace veterans who had retired.

What Next in Anglo-Japanese Relations?

SINCE the announcement last week-end of Britain's refusal to enter into negotiations with Japan on the Chinese currency question and the disposition of Chinese silver stored in the British Concession at Tientsin, the Anglo-Japanese parleys in the Japanese capital have been deadlocked. The question now being asked is whether Japan, plunged into virtually complete isolation by the decision of Germany and Soviet Russia to enter into a non-aggression pact, will adopt a more conciliatory attitude and enable the parleys to continue, or whether the negotiations will be definitely ruptured. An answer to this question is almost certain to be forthcoming in the very near future.

Unless Britain decides to embark on a preventive war against Germany, in which event her hands will be more completely tied than they are at present, a further stiffening of the British attitude in the Far East seems more than probable. With Soviet Russia's hands untied in the Far East by the new-found friendship with Germany in the West, Japan will henceforth have to be more than cautious in her attitude towards the Soviet neighbor. The need for an offset to that neighbor would seem to dictate a more friendly attitude toward Britain than Japan has manifested during the past few months.

But there can be no certainty on this score. The military arm of the Japanese Government is very much in the saddle. Desperate over the hopeless impasse into which their military campaign in China has fallen, the chiefs of the fighting forces may decide to direct the spearhead of their campaigning against both Soviet Russia and Britain simultaneously, hoping thereby to precipitate a Far Eastern free-for-all which would enable them somehow to extricate themselves from the difficulties they are in now.

Certainly there has been no abatement of the anti-British campaign thus far. If anything, it has been intensified and spread farther afield. Threats are being made to "isolate" Hongkong. There is talk of further action at Kulangsu, and at Shanghai. All this has followed Britain's refusal to accede to Japanese demands for the banning of Chinese national currency in the British Concession at Tientsin and the surrender of Chinese silver stored there.

The firmer British attitude, following on the acts of capitulation represented by the Craigie-Arita formula and the decision to surrender the four Chinese terrorist suspects, came as a surprise to many who expected more acts of capitulation to follow. The fact of the matter seems to be that while Britain was ready to comply with Japanese demands if forced to do so, she feared that awkward complications might ensue with other signatories of the Nine-Power Treaty, especially the United States, which is vitally interested in the Chinese currency question and no doubt made known its views in London. Britain had to choose between making a "friend" of Japan or an "enemy" of the United States. Considering all the circumstances, the decision actually arrived at was a foregone conclusion.

SIR Robert L. Craigie, British Ambassador in Tokyo, informed the Japanese Government of Britain's stand that "no useful results can be obtained from pursuing further questions of currency and silver solely on an Anglo-Japanese basis," since all parties to the Nine-Power Treaty would have to be consulted. Sotomatsu Kato, Japan's Minister-at-large and the principal Japanese delegate at the Tokyo parleys, replied, according to *Domei*, that Britain's course of action in delaying the talks, on the ground that no "useful results" could be achieved by economic discussions between Japan and Britain alone, threatened to rupture the conference.

The Japanese delegate said that Japan must have been "cleverly deceived" by Britain, since the latter waited three weeks to announce its stand on the economic questions raised by Japan.

A Tokyo Foreign Office statement on Aug. 21 declared there was no justification for the British authorities to regard Japanese demands on economic questions as beyond the scope of the Anglo-Japanese conference on the Tientsin controversy and no reason why they could not be discussed between the two governments. The statement went on to say that continued circulation of Chinese national currency in the British Concession at Tientsin helped "lawless agitators" to carry on their activities both within and without the Concession and that therefore the currency question was closely tied in with the policing question upon which a measure of agreement had already been reached.

According to the *Transocean* version of the foregoing statement, the Foreign Office warned Great Britain against any attempt to make use of third powers for the defense of British interests in the Far East and said that any such attempt would encounter Japan's "inflexible resistance." Reference to the Nine-Power Treaty, it was reportedly declared, could not in any way modify the viewpoint of the Japanese Government in view of Japan's negative attitude toward that treaty.

Foreign Minister Hachiro Arita told the Cabinet on Aug. 22, according to *Domei*, that the Anglo-Japanese conference had virtually broken down and that the Government would decide its attitude after ascertaining the "real intentions" of Britain. Three days previously, when Britain's stand first became known, an emergency meeting of War Office officials in Tokyo was reported to have decided to leave a settlement of the Tientsin issue to the discretion of the Japanese military authorities on the spot. On Aug. 22, a *Domei* dispatch from Peking said that the Japanese military authorities in Tientsin were planning to send a virtual ultimatum to the British authorities to effect a settlement of economic questions in the British Concession. The ultimatum, it was believed, would be sent through the puppet "Provisional Government" and would stipulate a time-limit for compliance with Japanese demands for the banning of Chinese national currency and the handing over of the Chinese silver reserves.

APPREHENSION has been growing throughout the week that the Japanese, in order to bring additional pressure to bear on Britain, are planning the isolation of Hongkong. Two contradictory statements on this subject came out of Tokyo late last week. An Admiralty spokesman declared on Aug. 17 that the Japanese Navy had no intention of blockading Hongkong and that there was no need to take any such action. The Navy, he added, had no intention of provoking fresh international complications with a "friendly foreign power," especially since the Japanese blockade in Central and South China was being successfully tightened, with the occupation or the blockade of treaty ports. Present military operations near Hongkong's border, he said further, were intended to liquidate Chinese guerrillas and bandits in the border region.

Two days later, on Aug. 19, a spokesman for the Japanese Army in Canton, according to *United Press* from Tokyo, said it had been found imperative to isolate Hongkong from the mainland of China in order to cut the route for the flow of arms and munitions to the Chungking Government. He also expressed regret that the isolation of the Colony would greatly inconvenience its citizens, who would face a food shortage. Explaining what he meant by the "route for the flow of arms," the spokesman said that a newly-constructed motor highway connected the British leased territory with China areas

in Kwangtung and the routes had been used for arms transportation to the interior.

Although there is no indication at the moment that an attempt has been made to "isolate" Hongkong, Japanese troops, following the reoccupation of Shumchun last week, are now strung out along the border for a distance of about 30 kilometers, ready to enforce such a measure if it is decided upon. According to a *Domei* dispatch from the Colony last Sunday, food prices there have risen because of the disruption of traffic between the Leased Territory and interior points which supplied farm products.

Press reports in Hongkong on Monday of this week said that further Japanese reinforcements, estimated at between three and five infantry battalions and 300 cavalrymen were landed from transports and warships at Namtao and were proceeding to Shumchun. British, Australian and French naval ships were meanwhile concentrating at Singapore. By the end of this month twenty such ships will have arrived.

A *Domei* message from Kaifeng on Aug. 18 said that the anti-British movement in Honan was being extended to include a boycott of British goods. From Taihoku, Formosa, came a report by the same agency that 20,000 persons took part in an anti-British rally and parade in that city on the same day.

A *Reuter* dispatch from Canton on Aug. 19 quoted T. K. Au, Chinese puppet director of the "Department of Civil Affairs of the Peace Preservation Committee," as predicting a violent anti-British outbreak in that city. He said the anti-British movement was gathering momentum, but that he was doing his utmost to prevent it from becoming violent. The Canton regime, he added, desired friendly relations with Britain, but should the Tokyo negotiations fail, the local authorities could not suppress the anti-British movement any longer.

'Girl-Guide' Craze Invades Hongkong Following Influx of War Refugees

FOR many years British parliamentarians worried about the morals of the Crown Colony of Hongkong, the particular object of concern being the system of "mui-tsai" or child slavery. Under this system, Chinese families of poor circumstances would sell their daughters to rich Chinese families where they would become servants, or, in case they were attractive, they might become concubines.

The mui-tsai evil has been investigated by royal commissions and has been the subject of restrictive legislation.

Refugees Need 'Guides'

But Hongkong's present status as a refugee center for Chinese driven from their homes in Canton and elsewhere has resulted in the development of a new evil in the Crown Colony—the "Girl Guide" system, once prevalent in Shanghai. The "girl-guide" has nothing in common with the Y. W. C. A. girl-scouts or the camp-fire girls of the Occident, but is a strictly oriental institution, a sort of modernization of the "sing-song" profession, Chinese counterpart for the Japanese institution of the "geisha."

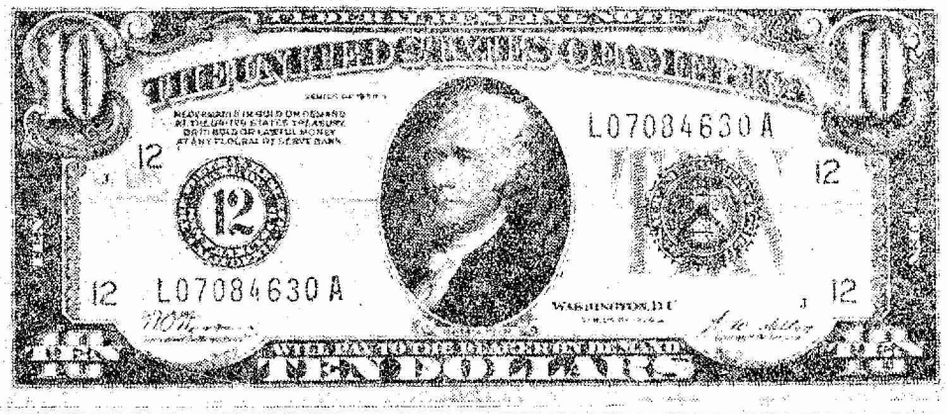
Chinese girl guides, or at least the houses which maintain them, are great believers in the use of advertising space as indicated by the adjoining illustration from **Nam Chung Po,** popular afternoon paper in Hongkong. The illustration only includes one-quarter of a page, the particular issue (August 1) containing nearly four full pages all filled with pictures of attractive "guides." The four pages contained the pictures of no fewer than 151 young ladies who desired to serve as "guides" for lonesome bachelors residing in Hongkong, for refugees, tired businessmen, or men-about-town who were not so tired. The number of "houses" advertising in this particular issue was 50, some of the names of the houses being "Sky Stars," "Red Beans," the "Great China," "Big Palace," "New Moon," the "Peng-fei Birds," the "Love and Pity," etc.

Names of the girls were equally intriguing, one advertising herself as "Lovely Widow." But the prize "guide" apparently was "Man's Dream," who advertised that she was a beautiful concubine who had escaped from the household of a rich Chinese in Canton. She offered her services as guide and dancing-partner at the rate of $1 to $2 an hour, but limited her engagement to two hours. Many of the girls used foreign names in the advertisements, for example the one advertising on the left in the top row used the name of "Angel," while others in the same row were named "Mary," "Anna," and "Lillie." One advertised that she had just returned from a tour which included Manila and Singapore. Her name was "Garbo."

Japanese Release Two Canadian Jesuit Priests

The two Canadian missionaries, Catholic priests who were arrested by the Japanese military authorities in Hsuchowfu on August 8, have been released. The priests were members of the Canadian Jesuit Society in Hsuchow and were arrested on charges of espionage by the Japanese army. Efforts by members of the Jesuit Society in Shanghai to get in touch with their colleagues in Hsuchow met with failure, telegrams inquiring as to their welfare going unanswered. As yet the names of the two priests who have just been released from imprisonment have not been revealed to local Jesuits or British Consular officials here.

U. S. Dollar Becomes "Financial King" in Shanghai



This American $10 bill could be exchanged for approximately $155.00 in Chinese currency this week.

This U. S. $5 bank-note was worth approximately $77.50 Chinese currency this week.

This $1 American bill could be exchanged for $15.50 in Shanghai exchange shops this week.

This American "Quarter" or 25 cent piece was worth $3.88 in Chinese money this week.

While American money does not circulate as legal tender in Shanghai, large quantities of American banknotes, chiefly of the $5, $10 and $20 denominations, are used for speculative purposes. A Shanghai banker recently told of a case where a Chinese customer of the bank rented a safe-deposit box and placed U.S.$50,000 in it for more than six months, finally removing it and converting it into Chinese currency at a handsome profit. The amount of American currency in Shanghai and other Chinese ports is not known, but is thought to be considerable, as the U. S. Navy pays its salaries in U. S. bank-notes, which are cashed here and in some cases hoarded by those who fear the collapse of native currencies. The fact that Japanese currency shows a tendency to drop in value along with Chinese national currency has caused consternation in Japanese circles. While the Japanese Government has managed to maintain an arbitrary value for the Yen in Japan, the gradual slump in value here to about 15 yen for an American dollar is thought to represent the actual value of the Japanese unit. Prior to the beginning of the Sino-Japanese hostilities the Chinese dollar (as well as the Japanese yen) was worth about $3 for U.S.$1.

Chinese Currency Rallies Slightly

Report of the imminent conclusion of a non-aggression pact between Germany and Soviet Russia, and the international isolation which this development signifies for Japan, led in the middle of this week to a slight strengthening of the Chinese dollar on the exchange market. From a rate of $15.50 to one U. S. dollar on Tuesday, the rate improved to $14.50 on Wednesday. There was no indication that the upward movement would continue, however, or that the slight improvement would be maintained.

Another factor believed to have influenced the exchange was the reported signature on Aug. 19, in London, of a trade agreement between China and Great Britain, which according to a *United Press* dispatch, from the British capital, provides for the extension of a £3,000,000 credit to the Chungking Government. Informed quarters in London were quoted as saying that the credit would be utilized by China to purchase British machinery, including equipment for the manufacture of munitions, aircraft and other war requisites.

Rumors persist to the effect that British and Chinese financial representatives are in conference in Hongkong, considering ways and means of strengthening China's currency, but there has been no confirmation.

Trouble Brewing in Shanghai Over Shooting Affray in 'Badlands' Area

TROUBLE, possibly on a big scale, appeared to be brewing in Shanghai this week as protest and counter-protest flew between the Shanghai Municipal Council, on the one hand, and the Japanese and their local Chinese puppet administration on the other, arising from a shooting incident last Saturday afternoon in which a British probationary sergeant of the Shanghai Municipal Police was wounded and two "Ta Tao" patrolmen killed.

The scene of the shooting was Jessfield Road, a thoroughfare under the jurisdiction of the S.M.C. on the border of the "Badlands" in the Western District. According to the S.M.C. version of the affair, the incident occurred when a party of armed Ta Tao policemen, most of them in uniform, attempted to cross Jessfield Road.

Ta Tao Men Fire

Sergeant W. O. Kinloch, in charge of an armored car patrol, ordered the Ta Tao men back into their own territory. They opened fire and wounded Kinloch when he approached them, but Kinloch, despite his wound, managed to get back to the armored car and opened fire on the trespassers with a sub-machine gun, killing two and wounding three others. The remainder of the Ta Tao party fled from the scene.

Mayor Fu Siao-en, head of the puppet Shanghai City Government, called on Mr. C. S. Franklin, chairman of the S.M.C., the following day and lodged a verbal protest over the shooting, following this up with a lengthy written protest, backed by the Japanese Army, in which the demand was made that the Shanghai Municipal Police abandon "the policing and administrative powers which the Settlement authorities have illegally acquired over extension roads areas."

Rejecting this protest, the S.M.C. on Aug. 21 stated that Sergeant Kinloch had been fired upon without provocation in the course of his duties, and that he had opened fire on the Ta Tao men only in self-defense. The Council also protested against the conduct of the Ta Tao police, declaring that in the interests of peace and order "it is manifestly imperative that steps be taken by your Administration to prevent the recurrence of such incidents upon Municipal roads which are lawfully patrolled by the Shanghai Municipal Police."

Impartial Inquiry Offered

The S.M.C. note added that if the puppet administration disputed the Council's findings of fact, the S.M.C. would be disposed to agree to a disinterested inquiry by such person or persons as may be agreed upon.

Backing up the Ta Tao protest, Yoshiaki Miura, Japanese Consul-General addressed a note to the S.M.C. stating that the Japanese authorities took a "most serious view" of the Jessfield Road incident, reserving the right to make further representations and take such measures as may be necessary to "eradicate the fundamental causes which led to the occurrence of this deplorable event." The note said that the Japanese regarded the shooting as an "outragous and atrocious attack on members of the police of the City Government."

In reply to this note, the S.M.C. informed Mr. Miura of the nature of the reply to Mayor Fu's protest and repeated its willingness to have the whole of the evidence examined at a distinterested inquiry.

Last Sunday, the day following the incident, Japanese military, naval and diplomatic representatives were reported to have held a meeting on board the H.I.J.M.S. Idzumo, Japanese flagship, and to have reached an "important decision" in connection with the shooting. The nature of the decision has not, however, been disclosed. A further meeting was held the following day and lasted three hours, *Domei* reported.

Action is Threatened

On Tuesday of this week, the Japanese military and naval authorities issued a joint statement, threatening "effective and appropriate measures." to eradicate at the roots the "evils" responsible for the Jessfield Road shooting.

The fire-eating *Tairiku Shimpo*, local organ of the Japanese military, dealt with the incident in a front-page editorial last Sunday. The paper urged the "Reformed Government" at Nanking and the Japanese authorities to meet "this challenging attitude of the Shanghai Municipal Council" with force and to "clean up" the International Settlement. If the S.M.C. "outrage" were condoned "Japan had better stop her sacred campaign and leave the Chinese people to the bloody hands of the British and the Chungking Government," the paper wrote.

The "Reformed Government" at Nanking entered the picture by announcing that it was drafting a bill for the purpose of seeking establishment of its "legal rights" in the Shanghai International Settlement. When the bill is passed, it was stated, the Nanking Foreign Ministry will take immediate steps to recover those "rights." Meanwhile, according to a *Domei* message from Nanking, the *Ta Min Hui* or "Great People's Society," a puppet political organization, is taking active steps to marshal public support behind the "Reformed Government" for a solution of the International Settlement question and is mobilizing the people to "recover" the International Settlement.

Foreigner Murdered

On Aug. 18, the day prior to the Jessfield Road incident, Mr. Holger Peter Krogh, 39-year-old Dane employed by the Great Northern Telegraph Company, was murdered in cold blood by an unidentified Chinese outside his home at 91 Amherst Avenue. Two men approached their prospective victim as he was entering his car at 8.20 a.m. to drive to his office and asked him if he was Mr. Krogh. On receiving an affirmative answer, one of the Chinese whipped out a pistol and fired two shots at Mr. Krogh, thereafter escaping. Mr. Krogh died 35 minutes later at the Country Hospital. He is survived by his wife and a 12-year-old son.

Several weeks ago it was alleged in the local Japanese press that Mr. Krogh had hauled down a five-barred flag of the "Reformed Government" at Columbia and Great Western Roads and had trampled upon it. The report was denied both by Mr. Krogh and the Danish Consulate. It is believed that his murder was an act of revenge connected with this alleged incident.

Lieut.-Col. Spear Said Exhausted and Nervous

Two separate instances of behavior on the part of the Japanese, tending to undermine the health of Lt.-Col. C. R. Spear, the British Military Attache, who has been held by the Japanese at Kalgan since May 26, were disclosed in Peiping last week, *Reuter* reported.

The first is the revelation that the foodstuffs sent up by the British Embassy in Peiping on July 5 have not yet been given to Lt.-Col. Spear; so that, owing to the fact that he finds the ordinary food offered him by the Japanese uneatable, he has subsisted throughout his captivity on an exclusive diet of dry bread and eggs.

The second is the revelation that a telegram which Lt.-Col. Spear requested the Japanese to send to the War Office in London, asking whether he could accept the conditions laid down by the Japanese that he should be escorted by an armed and uniformed sentry if he wanted to take any outdoor execise, was never sent off; with the result that Lt.-Col. Spear has never been able to leave his room since the detention.

Nippon Explanation

The Japanese explanation for the non-dispatch of this telegram is that it is still being examined to ascertain whether the information it contains is harmless: if it is found to be harmless, it will immediately be dispatched.

A report from the British officials who were recently permitted to see Lt.-Col. Spear has been received in Peiping. This reveals that, while Lt.-Col. Spear is not actually ill, he is in a somewhat exhausted and nervous condition, largely as a result of his having taken no exercise. The room in which he is imprisoned is comparatively comfortable, but not very clean; and, apart from an interpreter who calls on him for some five minutes a day, he receives no visitors and remains virtually in solitary confinement.

The Japanese state that the preliminary investigation of Lt.-Col. Spear's case has been completed, and that it is now in the hands of the legal department of the Army. They state that they cannot give any date yet for the trial, explaining the delay as due to the necessity of checking the evidence in Lt.-Col. Spear's diary and the fact that the films they found on his person have not yet been developed.

Japanese Lie on Ichang Bombing

Varying their usual pleas of "accident" or "misunderstanding" advanced in explanation of aerial attacks on foreign property in China, the Japanese authorities on Aug. 17 issued a complete and blanket denial that their army planes had been implicated in the destruction of two British merchant ships which were bombed at Ichang, Yangtsze River port at the eastern entrance to the Gorges, on Aug. 6.

The denial was contained in a reply to two protests on the subject lodged by Rear-Admiral R. V. Holt, Commander of the British Yangtsze Patrol, immediately after the bombing. The reply was handed to Sir Herbert Philips, British Consul-General at Shanghai, by Mr. Y. Miura, Japanese Consul-General. Copies of the reply were handed to newspaper representatives at the Japanese press conference the same day, accompanied by aerial photographs, said to have been taken at the time of the raid, and purporting to show that the two British ships, the s.s. Hsin-Changwo and the s.s. Kiawo of the Indo-China Steam Navigation Company, had not been destroyed by Japanese aerial bombs. It was also denied that the Ichang installation of the Asiatic Petroleum Company had been bombed.

"Mysterious Cause"

"If the two ships in question did burn," the statement said, "they must have caught fire from a mysterious cause." In view of the Japanese denial of responsibility, it was added, no claims for compensation would be entertained. An Army spokesman at the press conference declared that aerial observations made by the commander of the Japanese raiding squadron ten minutes after the raid on Ichang, showed no indication of any flames or smoke over the two ships. Hence the claim that the ships burned due to some "mysterious cause."

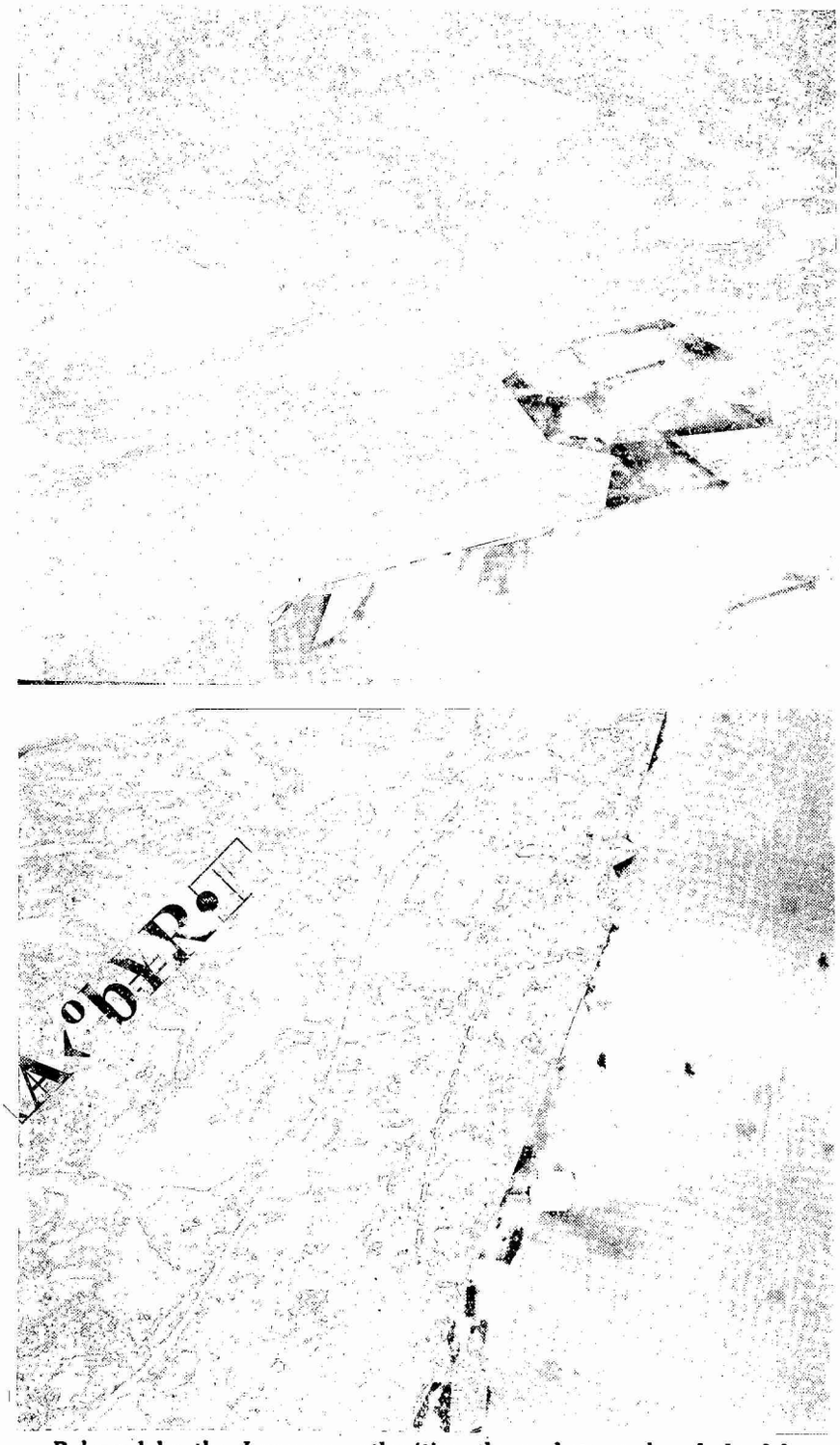
Apart from the fact that it took the Japanese 11 days to decide on this flat denial of responsibility, the Japanese statement made no attempt to explain how H. G. Denyer, British mate of the s.s. Hsin Changwo, sustained a badly injured arm caused by a bomb fragment, or how two Chinese members of the ships' crews were killed and three others wounded.

In effect branding the Japanese denial as a crude falsification, the British naval authorities in Shanghai on Aug. 18 issued a detailed statement, based on a report by Commander A. F. St. G. Orpen of the British gunboat H.M.S. Gannet —which is stationed at Ichang and which helped extinguish the flames on the two merchant vessels— pointing out that the two ships definitely were bombed by Japanese planes. The British statement gave the number of Japanese bombers which took part in the raid, the number of bombs dropped, and the exact times.

Referring to the aerial photographs published by the Japanese and purporting to bear out the Japanese denial that a bomb had been dropped on the stern of the s.s. Kiawo (the fire thus caused spread to the s.s. Hsin Changwo which was moored alongside), the British statement said that these "are not considered to have any relevant bearing on the question, as all appear to have been taken before the bomb was released which hit the Kiawo."

Two of the photographs, reproduced on this page, are a self-indictment of the Japanese, as will be readily seen.

Tell-Tale Pictures of Ichang Bombing



Released by the Japanese authorities, these photographs of the Ichang bombing raids in which two British ships were destroyed, show more than their authors intended. The top picture shows large concentric circles near the two British vessels, evidently caused by heavy objects landing in the water. These may have been dud bombs, but a live incendiary bomb evidently dropped after the picture was taken, hit the s.s. Kiawo in the stern and set her on fire, causing the s.s. Hsin Changwo, moored alongside, to burn as well. In the lower photo, the two ships are shown on the border of the bombed zone, indicated by the dotted line, while the H.M.S. Gannet is well within it.

The Kaiser, Japan and Hitler

An Unpublished Chapter of History Which Throws Light on Today's Events

BY HAL BORLAND *(New York Times Magazine)*

AT the head of the German Reich today stands a man who persistently preaches a gospel of Nordic supremacy over all the peoples of the world. With this philosophy at the core of a daring imperial program, Adolf Hitler in six years has rebuilt and vastly extended that nation which twenty years ago was broken and defeated after a great war. Yet in his drive for power and empire in the name of the Blond Man of the North, Hitler has set up two major lines of axis, the one with the Latins of Italy, the other with the Nipponese of Japan. With Italy he has completed an all-embracing military alliance. With Japan he has repeatedly attempted and still attempts, to do the same.

In the main, the Hitler program is not new. William II, Emperor of the Germany that went to war in 1914, laid down the foundations for it. He, too, dreamed of broad mastery, wished to extend German dominion eastward, hated the Britain which balked such efforts, stormed at "encirclement," made a fetish of military and naval strength, indulged in power politics, worshiped the image of the Teuton supreme. But in his refuge at Doorn the Kaiser today must be shaking his head at Hitler's program each time he hears mention of Axis diplomacy. The Kaiser scorned the British, but he hated the Japanese, distrusted them, called them devils and was obsessed by the "Yellow Peril." And Italy would not give him the help which he expected.

Events of Yesteryear in the Background of Today's Happenings

New York Times Magazine

"The Kaiser today must be shaking his head at Hitler's program each time he hears mention of Axis diplomacy. The Kaiser hated the Japanese and was obsessed by the 'Yellow Peril.'"

A Suppressed Interview

Thirty-one years ago this week the Kaiser voiced this feeling in a two-hour interview with a correspondent of *The New York Times*. His words were bitter; they burned with violent hatred and they breathed obvious ambitions. But those words were never printed as he spoke them. Had they been printed that time, the World War might have begun six years sooner than it did. The interview was suppressed on the demand of the German Foreign Office, at the request of President Theodore Roosevelt and on the judgment of the responsible editors of *The Times*.

For thirty-one years the documents of that interview—letters, notes and memoranda—have lain in the archives of *The Times*. They were recently brought to light in the process of classifying the personal files of the late Adolph S. Ochs, publisher of *The Times* until his death in 1935. Their contents are revealed now as a sidelight on history and because they illustrate so well a basic contrast in the philosophies of the two men who have been obsessed by German

superiority.

In the momentous events of the past ten years we have generally forgotten what was happening in Europe during the decade or so before 1914; but that, too, was a time when ambitions ran high and explosions often seemed imminent.

William II had succeeded to the German throne in 1888 when his father, Frederick III, died only a few months after succeeding William I. William II was 29, extremely ambitious, arrogant, aggressive. He disliked Bismarck and his policies, and within two years he had retired the Iron Chancellor, and himself had taken the helm of German policy.

Bismarck's Work Undone

Bismarck had carefully woven a fabric of treaties to isolate France and assure Germany's military dominance of Europe. The Kaiser almost at once alienated Russia and soon alienated England. Both veered toward France, and Bismarck's patient work was undone. Then the Kaiser dreamed of overseas colonies. He almost set off an explosion by meddling in the Boer War. He reached into China and took Kiaochow for a naval base and trade center. He threatened for a time to embroil Germany and the United States at Manila in 1898, and soon after acquired a group of islands in the Philippines area. He got two islands at the Samoan Conference of 1899. And he built a navy.

England had a vast colonial empire and a huge overseas trade. She was broadening her influence in China. She was a potent factor in the Near East. Since 1874 Germany had risen phenomenally as a commercial power. Now she stood second in the ranks of world trade. The Kaiser and his Pan-German League looked eastward and saw 16,000,000 people of German blood outside the empire. Mittel-Europa became a tangible ambition; the Drang nach Osten was evolved, a program calling for German dominance through the Danube basin all the way to the Ottoman Empire. The Berlin-Baghdad Railroad became its symbol.

Feared German Expansion

But England checked that program —England, France and Russia. They feared such an expansion of Germany's trade influence and believed they saw plans for political dominance. The Kaiser cried, "Encirclement!" and increased his naval program. England proposed naval limitation and made a treaty with Japan. The Kaiser declared he would fight rather than accept dictation.

That was the situation in the early Summer of 1908.

In the United States Theodore Roosevelt was President. William Bayard Hale, a special writer for *The Times*, was sent to Washington to spend a week with President Roosevelt and to write a series of articles about Roosevelt's daily life. Later, in June, he was sent to Europe to see if a similar series might not be written about the Kaiser.

Hale was an ordained minister who had turned to journalism. He had worked for several magazines and for the *New York World*, had been managing editor of the *Philadelphia Public Ledger* four years and had served as Paris correspondent of *The Times*. He was well acquainted in Europe. He arrived in Germany early in July and learned that a series of articles about the Kaiser was not feasible but that an interview might be obtained. The Kaiser had just left on his annual Norway cruise. Hale followed and caught up with the imperial yacht Hohenzollern at Bergen, Norway, on July 19. Through his friendship with General von Lowenfeld, Commander of the Prussian Guard Corps, and Privy Councillor von Ihne, Court Architect, whom Hale had met at the dedication of the Carnegie Institute in Pittsburgh, an audience was arranged.

Interview With Kaiser

The next morning (July 20) Mr. Ochs received a note from William C. Reick, at that time one of *The Times* executives, which said in part:

"Last night, with the thermometer about 90, and nothing to do but chase mosquitoes and flies, I received the following cable (from Hale): 'Just had two hours audience with Emperor. Result so startling that I hesitate to report it without censorship of Berlin.' I sent the following cable: 'Impossible advise except anxious avoid even appearance betrayed confidence. Consult Lowenfeld or Hill [David Jane Hill, Ambassador to Germany].'"

Even while Mr. Reick was dispatching his first cable, Hale was in his Bergen hotel writing notes on what the Kaiser had said to him. They had walked the deck of the yacht as the Kaiser talked, in English, and Hale had made no memoranda. Now he set down a 5,000-word transcript of the conversation. When he had finished he wrote the following letter to Mr. Reick:

"After many tribulations and much hard traveling, largely by coasting steamers, I found the Hohenzollern here and was invited aboard last evening. The Emperor talked to me eagerly for nearly two hours. He is exceedingly bitter against England and full of the Yellow Peril. Among other things he said were: England is a traitor to the White Man's cause. She will lose her colonies through her treaty with Japan. The invitation to our fleet to go to New Zealand and Australia was to serve notice on Britain that those colonies were with the White Man and not with a renegade 'mother country.'

Japan and India

"To his positive knowledge Japan is fomenting insurrection in India. It will break out in about six months. The solution of the Eastern Question is about to be made by Germany and the United States. It has been agreed between himself and President Roosevelt to divide the East against itself by becoming the recognized friends of China. Negotiations are now under way. In a few months a high Chinese official will visit the United States and Germany, and the terms will be made known. They will guarantee the integrity of China and the open door.

"The world now realizes that Russia was fighting the White Man's fight—fighting it miserably. Pity *his* battalions couldn't have had a chance at those Japanese. If Japan be suffered to get control of China, Europe will suffer attack first. He is keeping friends with the Mohammedan world—yes, he is supplying them with rifles — because they are devils in a fight and stand there between the East and West where they can break the first force of attack. Japan and America will fight within ten years. And so on.

"This is unquestionably of first importance. I realize it, so much so that I am leaving for Berlin to let the German Foreign Office object, if they want to (and I fear they will) *before* publication. No restrictions of any kind were laid on me, except that Baron von der Bussche of the Foreign Office said that I 'could not be received as a newspaper man.' Everybody concerned knows that I am, though I attribute my reception to Lowenfeld, Ihne, a protégé of the Emperor, and the Ginkaumes of Cologne. At the same time, I believe the Emperor was eager to talk for publication, and to be talked to. He hears little, except through a court circle. The Foreign Office I feel will object, but I'll do the best I can at Berlin. Germany is expecting to fight England and in my judgment the Emperor doesn't care how quickly. He poured a steady stream of insult on the English for two hours."

The 'Yellow Peril'

This letter was scarcely even a summary of Hale's notes. The notes show the direction of the Kaiser's talk and the intensity of his feelings. Hale prefaced the memoranda with the statement that even they were only "an outline of what the Emperor said." Uppermost in his mind, obviously, was the new treaty between England and Japan.

"Everybody understands," the Kaiser said, "what must come to pass between Asia and the West, the Yellow race and the White. It is imbecile folly for us to close our eyes to the inevitable. We are unworthy of our fathers if we are negligent of the sacred duty of preserving the civilization which they have achieved for us, and the religion which God has given us.

"All the world understands that the gravest crisis in the destiny of the earth's population is at hand. The first battle has been fought. Unfortunately, it was not won. Russia was fighting the White Man's battle. Many did not see it then—all do now. What a pity it was not fought better! What a misfortune! My God! I wish my battalions could have had a chance at them! We would have made short work of it.

"The danger to us is not Japan, but Japan at the head of a consolidated Asia. The control of China by Japan—which is sharply and bitterly antagonistic to the White Man's civilization—that would be the worst calamity that could threaten the world. We shall be wise if we divide the East against itself. That means, at this stage of the game, that we must not allow China and Japan to get together, either fraternally or one inside the other. The particular duty which the White Man owes to himself at this moment is to prevent Japan's swallowing China.

'It's no good talking about Great Britain. England is a traitor to the

White Man's cause. The ninnies there have got that government in an absolutely impossible position. I tell you that empire is going to pieces on this rock. If that alliance of theirs with Japan is persisted in, I don't see how the British Empire can be saved from dismemberment. When self-interest enters the door, sentimental patriotism flies out of the window.

"I know that British Columbia has made it plain that it must be handled very tenderly or it will be lost to the empire. In South Africa —well, everybody knows how critical the race problem is there. In India conditions at this hour even as they are publicly known are worrying Englishmen. If they knew the whole truth, they would be more than worried. The peculiar danger there springs directly from the fact that the British Government has made an alliance with Japan. It has done this, it has exchanged honors and pledges of friendship, on the basis of equality, with one Asiatic people, whilst it holds another Asiatic people in bondage.

"The long slumbering disaffection in India has been fanned to a blazing spirit of rebellion through the use of this humiliating argument.

"Now, mind you, I don't believe that public opinion is behind this treaty in England, but the ninnies who run the government are determined to stick to it. So long as they do stick to it, England is in the position of a traitor to the White Man's cause."

Mistrusted France, Russia

Kaiser William said that neither France nor Russia, England's allies, could be counted on to help check Japan, and by this reasoning declared that it was up to Germany and the United States. Then he spoke at some length of the various grounds for friendship between Germany and this country. Among other things he said:

"The vast number of Germans and men and women of German descent who are, you tell me, among the most substantial citizens of your great country, constitute already a necessary bond between us. Our instincts are one, our instincts are one, our religion the same, our race the same. Nowhere, no longer now even in the nightmares of agitators, is there imagined to be a shadow or possibility of an issue between us. Germany has no ambitions that traverse or even approach the spheres of American activity.

"Oh, it will come out all right," he said. "The future belongs to the White race. It does not belong to the Yellow nor the Black nor the Olive colored. It belongs to the Blond Man and it belongs to Christianity and to Protestantism. We are the only people who can save it. There is no power in any other civilization or any other religion that can save humanity, and the future belongs to us—the Anglo-Teuton, the man who comes from Northern Europe."

Then the Kaiser spoke of Theodore Roosevelt, of his intense admiration for the American President, whom he called "the man in whom the finest spirit of the New World is incarnate." And he went on to his philosophy of government.

"All the big things in the world," he said, "are always done by just a man—one man—one strong personality. History in its times of crises cried out for a man. Everything waits until a great personality appears—nothing happens until there arises a man with burning convictions in his heart, a man of absolute fearlessness, a man who doesn't mind laughter, derision nor misunderstanding, nor abuse. A man who knows what he wants and goes straight for it. That's the way of history.

Strong Man Theory

"That is the law of social progress —a big man has got to do everything. I tell my people that it doesn't matter whether it is an empire or a republic. There has got to be one man to take the responsibility. Parliaments may criticize, Parliaments may hold back, Parliaments may be very wise—but Parliaments do not do things. You may gather all the wisdom in the world in a parliamentary chamber, but you will never get any action out of a parliamentary chamber. One man has got to lead.

"It is one of the most serious reflections on Americans," he went on, "that they have not all appreciated and applauded Mr. Roosevelt, his character and his work. I can understand the criticism that has been poured upon him in England. I have some aristocratic friends there and, dear me, how they hate him! They have every reason to. They have lost a lot of money in American securities. And all an Englishman thinks about today is his shares. Dear me, how they abuse him! They have a very amiable name for him. They describe him as 'the uncouth monster of the White House.' And my good uncle, the King—good Lord, how he hates him, and with very good reason, too! All his friends' fingers, and I dare say his own, have been badly burned."

He spoke of pacifism and religion. "In the world of practical facts." he said, "we have to fight even for righteousness' sake. The Bible is full of fighting — jolly good fights some of them were. It is a mistaken idea that Christianity has no countenance for war. Christianity inimical to all war! Why, the early Christians had no scruple about propagating the faith by the sword. We are ourselves Christians by reason of forcible conversion.

"Mind, I don't advocate that method now, but how can our missionaries reach the barbarians unless we win and keep open a road for our missionaries, by force if necessary? I tell you, our religion wants us to employ in her behalf all the powers and gifts we possess—our knowledge, our science, our military skill."

Nowhere in these notes is there a reference to the statement in Hale's letter that the Kaiser said in so many words that he was supplying guns to the Mohammedans. But there is reiterated scorn for the English, anger at slights to German ambition.

Publication Forbidden

As Hale had previously indicated, he had been told that he could not see the Kaiser as a newspaper reporter. This formal disclaimer was a result of previous interviews in which the Kaiser had made incautious statements which embarrassed the Berlin Foreign Office. But everybody, including Lowenfeld and Ihne, who arranged the audience, and even the Kaiser himself, knew that Hale was a newspaper man seeking an interview. Once he had it and realized its import, Hale felt his responsibility to his German friends. He decided to consult with the German Foreign Office. Four days later he again wrote *The Times* from Berlin:

"I have just been obliged to cable that the officials here absolutely forbid any publication regarding the audience with the Emperor. They are, in fact, horror-stricken at the idea of what he said to me being repeated even in private, and declare that the worst results would follow. Dr. Hill, to whom I have given a full account of the audience, is of the opinion that the Emperor was perfectly willing to be quoted, but thinks that apart from the attitude of the officials here it would be most inadvisable to repeat his words.

"This afternoon the Foreign Office will reconsider the possibility of allowing me to write a 'magazine article' devoid of all news aspect. Bussche now thinks this might be allowed in a few months, if MS. were submitted here, but it is positive that *The Sunday Times* cannot be considered a 'magazine.' I have some slight hope that the argument I made for the magazine section of *The Sunday Times* may possibly be admitted after all. For the present, however, I can send you nothing."

Unrealized Hope

Hale's "slight hope" never materialized. The Foreign Office, after long argument, agreed to release innocuous parts of the interview, chiefly the less explosive comments on the "Yellow Peril" and a discussion of religion, for use in Century Magazine. The feeling seemed to be that magazine publication in this emasculated form would create little stir, whereas any publication in a newspaper undoubtedly would link all the Kaiser's statements, however censored, to European events then worrying the Berlin Foreign Office, and to relations with Great Britain in particular.

Hale had discussed the interview with newspaper friends and correspondents in Berlin; they agreed that it was dynamite. He then went to Paris and London and returned to the United States.

Hale's letters meanwhile had been shown to President Roosevelt by the editors of *The Times*. He called the interview "most astonishing stuff" and said: "I don't believe the Emperor wanted what he said published. If he did, he's a goose. I know he is very impulsive." He strongly advised —it was virtually a request—against

its publication. When Hale reached this country he was asked to see the President, which he did on Aug. 12, at Roosevelt's Oyster Bay home. Roosevelt listened to Hale's full report of what the Kaiser had said, thoroughly pleased at the praise for himself by the Kaiser, but astounded by other aspects of the interview. He categorically denied that he and the Kaiser had any agreement for intervention in the Orient. He told of instances when "I had to call the Emperor's bluff myself." And he finally said, "Bill is a thought jumpy."

Hale's memoranda were filed away in *The Times* office, with his letters, cablegrams and a full report of his talk with President Roosevelt. The incident seemed to be closed. The correspondent then wrote the article for Century Magazine. It was submitted to Berlin, still further censored and finally put into type at the magazine office. It was scheduled for publication in December, 1908.

Meanwhile, in England, a Major Wortley wrote for The *Daily Telegraph* of London an article about the Kaiser. It was a composite interview made up of second-hand reports of what the Kaiser had said on several occasions. Its chief content was abuse of the English for their suspicion of Germany and a boast that Germany's fleet and German trade were swiftly overtaking the fleet and trade of England.

The *Telegraph* story raised a tempest in England and an accompanying storm in Germany, where it was said the Kaiser talked too much. Von Buelow, the Chancellor, demanded and got a promise that henceforth the Kaiser would make no more public statements without the Chancellor's approval. Then some one heard about the Hale article in Century Magazine, about to be published.

Burned at Sea

Pressure was brought to bear on both Hale and the magazine, and although the interview already had been printed and the magazine was being bound it was suppressed. The offending pages were removed, two short stories were substituted, and the magazine appeared with a brief apology for "circumstances which have arisen" making it impossible to publish the article as advertised. Some weeks later a German warship came to New York, took the suppressed pages out to sea and burned them in the ship's furnaces.

Word of the suppression got around before the revised magazine was distributed. Several New York newspapers engaged in a search for the text of the interview. But the text was not to be had. Shrewd guesses were made, rumors and reports from London were pieced together, conversations of the previous Summer were remembered.

The *New York American* published, under a London dateline, what it declared was "exactly what Emperor William said" to Hale. The statements made closely approximated the contents of Hale's initial letter to *The Times*, though the phraseology was different. It did not go beyond those very brief notes. The *New York World* published a so-called summary of the interview which the editors later publicly admitted was an invention and for which they apologized to the German Government.

Wilhelmstrasse Denial

These two publications created a furore in both England and Germany. The German Foreign Office categorically denied that there was truth in either one. The Kaiser resolutely kept his own counsel. In due time the whole matter quieted down.

But the Kaiser's policies were unchanged. The naval race continued and William believed England was doomed; more important, he doubted that she would go to war to help France or Russia. The feeling, many believe, helped to produce the the explosion in Europe in August, 1914. Britain's eventual statement that invasion of Belgium and France would mean a British declaration of war came too late. That invasion had already begun. The English "ninnies" were in for it. Less than five years later those same "ninnies" were laying down terms at Versailles and the Kaiser was interned at Doorn.

William II is still at Doorn, an old man who spends his days walking and chopping wood, and no doubt remembering. And in control of Germany—of the new Greater Germany which the Kaiser once dreamed of building—is an Austrian who served as an obscure sergeant in that army of which the Kaiser was so proud, that army he so fervently wished might have a fling at Japan.

Adolf Hitler has taken the dream which the Kaiser expressed privately and saw his Foreign Office disavow, and he has boasted of it, proclaimed it to the world, made a large part of it come true. But at two points he has diverged sharply from it. He has made war on the churches. The Kaiser would no doubt agree to war on the Catholics, for in that Hale interview he was almost as scornful of the Catholics as he was of England. But he believed deeply in his Protestant Church, "the religion which God has given us," the church that he believed sanctioned war. The Kaiser had no affection for paganism.

Hitler and 'Devils'

And Hitler has turned for support not only to the Latins of Italy but to the Japanese, those people the Kaiser called the "devils" of Asia whose ambitions in China "have *got* to be restricted." Not only has Hitler built a Berlin-Tokio axis; he has aided and supported Japan's conquests and adventures in China.

It is a strange echo which comes back across the years from that night aboard the Hohenzollern in the fjord at Bergen. "The future belongs to us—the Anglo-Teuton, the man who comes from Northern Europe." That boast still resounds in German accents. But there is another sentence: "The particular duty which the White Man owes to himself is to prevent Japan's swallowing China." And that is only an echo, not even heard faintly in Berlin today.

Tientsin Gets Worst Flood in 80 Years

Adding to the woes of the already sorely-harrassed population of Tientsin, caused by the Japanese blockade of the British and French Concessions which was instituted more than two months ago, the muddy waters of the swollen Pei and Hai rivers and the Grand Canal were swirling through the city this week. Virtually the whole of Tientsin, including all foreign concessions, was under water three to nine feet deep, *Domei* reported Aug. 21.

The flood, said to be the worst experienced by Tientsin in 80 years, followed days of heavy and incessant rainfall. Breaking through the dykes at several points, the uncontrolled waters defied human efforts to check their advance by means of sandbag barricades. The rains appeared to have broken last Sunday night and bright sunshine Monday morning gave hope that the river would rise no further, but gradually recede to a normal level, although engineers predicted that Tientsin might remain flooded for three months.

According to *Domei*, the flood brought no cessation in the Japanese "traffic regulations" at the barriers around the British and French Concessions. Japanese sentries waded through the muddy waters to question wading pedestrians and examine vehicles moving axle-deep in water. As the waters rose higher, however, thse examinations became next to impossible.

The earlier flooding of the surrounding countryside as the Pei Ho rose over its banks sent thousands of Chinese refugees into the city in search of higher ground. Peasants drove their cattle through the barriers into the foreign-controlled areas and Japanese sentries placed no hindrances in their way. One effect of the influx of flood refugees was to relieve some phases of the acute food shortage caused by the Japanese blockade, while intensifying the problem as a whole. Among the cattle driven into the Concessions were several hundred milk cows.

While Tientsin faced the flood menace, the puppet Provisional Government in Peiping announced a five-year flood control program for five major North China rivers. Execution of the program, according to *Domei*, called for an expenditure of $100,000,000. The five rivers included in the plan are the Yungting Ho, the Tatsing Ho, the Tzeya, the Pei Ho and the South Canal including the Wei River. Waters of the Yangting Ho, the Tatsing Ho and the Tzeya will be diverted into the Gulf of Pechili, the report said.

Chinese Government Buys £250,000 British Rails

The Chinese Government Purchasing Commission has ordered from a number of British rail-makers £250,000 worth of steel rails for the Chungking-Kwenming Railway. according to a *Reuter* report. The first consignment is being shipped within six weeks. Other orders are being negotiated. It is understood that most of the bed of the new railway has been made and it is expected that the railway will be finished within twelve months.

Removal of China Capital to Kiating Rumored, Denied

ONE of the chronic Japanese rumors is the abandonment of Chungking as China's provisional capital. The rumor pops up periodically. Somehow, the Japanese find it convenient to repeat the tale. Needless to say, the rumor is absolutely baseless. If there is anything to it at all, it must be attributed to Japanese wishful thinking.

In a way, the Japanese are adepts at self-deception. For instance, at the outbreak of the present hostilities, the Japanese nation actually deluded itself into believing that "China can be beaten to her knees within six months." Even now, the Japanese still cling to a belief of the collapse of the Chinese resistance and are seriously talking of the creation of a "New Order in East Asia."

Officials Said Scared

In the renewed rumor about the the contemplated removal of the national Government from Chungking, a Tokyo dispatch revealed certain details that appear designed to inject an element of humor into the helpless situation of the Japanese in China. The dispatch attempts to create the impression that Gen. Chiang Kai-shek has been disheartened by repeated Japanese air bombings of Chungking, has decided to abandon that city and retreat some 180 miles inland to Kiating on the Yangtsze. It is further alleged that officials of the National Government are likewise scared and removing their offices to Luchow, between Kiating and Chungking, while Gen. Chiang's "brain-trusters" — whoever they may be—are to go further inland.

Naturally enough the Japanese advance as the reason for the alleged removal the repeated bombings of Chungking. But what the Japanese appear to have overlooked is the fact that if air bombing could terrorise China into submission, China's resistance would have long ago been broken, probably before the fall of Nanking. Wishful thinking sometimes may be comforting, but its effects are apparently not so. In the case of war, a nation may have to pay dearly for self-deception.

Official Chungking completely ignored the Japanese report. Nevertheless, in order to forestall any misapprehension on the part of the public, authoritative quarters in Chungking, interviewed by the *Trans-Ocean* service, categorically denied the report, declaring that the allegation has no foundation whatsoever.

Chiang Visits Kweilin

While Gen. Chiang Kai-shek's whereabouts have always been a source of worry to the Japanese secret service, recent Japanese speculations prove to be all wrong. According to Chinese reports, in the past few weeks Gen. Chiang neither stayed at Chungking continuosuly nor visited Kiating. It was revealed that last week Gen. Chiang visited Kweilin, Kwangsi, where he summoned an important military conference, attended by Gen. Pai Chung-hsi and other leading commanders of the South China war area. It is understood that plans for a counter-offensive on Canton were decided upon and will shortly be put into effect. After the conference, Gen. Chiang left for an unrevealed destination.

In addition to Gen. Chang Fa-kwei, who last week severely castigated Wang Ching-wei for his proposal of a "regional armistice" with the Japanese forces in Kwangtung, more government leaders have come forward to denounce Wang's move. Chang Chun-mai, well-known publicist and leading member of the People's Political Council, declared in a circular telegram that those who advocate the conclusion of a temporary peace are attempting to transform the country into another Formosa or Korea. The government's campaign of prolonged resistance enjoys the support of the entire people and is the only means of saving the country, the message emphasized.

"Absurd and shameful" were the words used by Gen Chen Cheng, director of the Political Department of the Military Affairs Commission, referring to Wang Ching-wei's radio talk on August 9 suggesting a "regional armistice" in Kwangtung. Asserting that Wang's accusations against the Chinese troops in South China were entierly malicious, Gen. Chen said that Wang's speech further exposed his treachery to the nation. Condemning Wang's new "peace move" as traitorious and self-deceptive Gen. Chen expressed the firm belief that no right-thinking Chinese will ever fall victim to his intrigues.

Ex-Reds Gets Orders

Chinese communists in Shanghai are reported to have received orders from their headquarters at Yenan, Shensi, to concentrate their attention on spoiling the peace movement led by Wang Ching-wei. The report asserts that Wang's peace movement is a disadvantage to communists because it tends to help the British and Japanese to reach an understanding. While maintaining their resistance policy against Japan the slogan of communists in Shanghai is said to be "to prevent a Munich agreement in the Far East."

Referring to the attitude of the Chinese Communists towards the Sino-Japanese war, a Japanese army spokesman in Shanghai claimed that the Chinese communists, at their party meeting at Yenan in July, took the view that the present war is not merely a question of difference between China and Japan, but already has become part of a big world conflict. According to reports received by the Japanese, the spokesman added, a decision was taken at the meeting to give fullest support and consideration to the objectives of the Kuomintang. According to the viewpoint of the Trotsky element in the party, however, this decision was not to be construed as a manifestation of loyalty or cooperation with the National Government, but rather an indication of the party's realization that the present Sino-Japanese hostilities would be a protracted affair.

Addresses Soldiers' Families

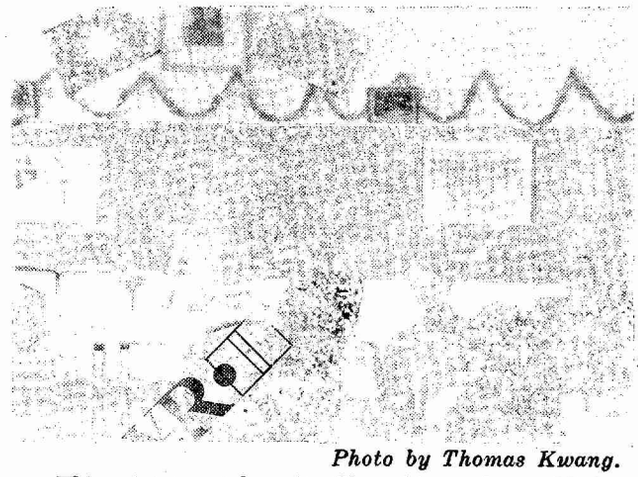


Photo by Thomas Kwang.

This picture, taken in Chungking, shows Madame Chiang Kai-shek addressing a gathering of families of Chinese soldiers on active service on Aug. 1.

Wang's Agents Active

Agents of Wang Ching-wei are reported to be very active in South China with headquarters at Hongkong, according to the correspondent of *North - China Daily News* in the Colony. Wang's recent radio broadcast was not only ignored by the Chinese troops in Kwangtung, but also by the Chinese community in Hongkong. The broadcast had a very poor reception in Hongkong and few could hear it clearly. Wang's adherents are working desperately to induce the Kuomintang officials and members in Hongkong to join his cause, but so far their efforts have met with no success.

In informed circles in the British Colony, it is believed that Wang Ching-wei may form a pupept regime in Canton, and this places him on the same footing as Wang Kehming of the Provisional Government in Peiping and Liang Hung-chih of the Reformed Government in Nanking.

All Chinese newspapers in Hongkong criticized the pro-Japanese activities of Wang Ching-wei. His radio address was reprinted only in his *South China Daily News*, but certain parts were deleted by the censor. The *South China Morning Post* published one part of the radio address and criticized it in an editorial. The address failed to arouse any favorable response but only scorn on the part of Chinese in Hongkong.

Evacuation of Japanese troops from China was not a prerequisite of peace, Wang Ching-wei declared in a statement published in the

South China Daily News, his personal organ in Hongkong. The statement was made in reply to numerous protests from listeners to his radio broadcast on Aug. 9. The natural order of things, Wang argued, was first an armistice, then peace negotiations, and thirdly evacuation of troops. By a normal process, evacuation of troops would be the last result of peace, he added.

As a result of the strike of the workers on the printing plant of the *South China Daily News* the paper is now appearing in photostat.

Information from reliable sources in Shanghai revealed that Wang Ching-wei returned here from Canton on Monday of this week. While Wang's place of residence here is not known, it is believed that he lives in his heavily fortified headquarters on Yu Yuen Road, in the immediate vicinity of the Japanese-controlled Hollywood gambling resort.

According to a lengthy correspondence published in the *North China Daily News*, Chinese merchants from interior cities now living in Shanghai are afraid to return to their homes because of the horrible conditions obtaining in the Japanese-occupied districts along the Shanghai-Nanking and Shanghai-Hangchow Railways. Sandwiched between the Japanese and the guerrillas, villagers in these areas are experincing a most harrowing time. The Japanese will not hesitate to shoot any villager if there is any suspicion that he is friendly to the guerrillas. The frequent clashes between the Japanese and the guerrillas make life in the interior extremely precarious. According to the posters distributed throughout this territory, the Japanese call this frightful condition the "New Order in East Asia" or "Peace in East Asia."

Pressed Into Army

Lately the Japanese army started a great campaign in this territory to impress young Chinese for military service. The orders went out in one area to enlist all those from 18 to 25 for training. Because the young men did not wish to fight their own brothers and cousins, the campaign caused terror. Thousands fled to guerrilla territory, many of them joining the guerilla armies one unit receiving a sudden addition of 3,000 volunteers.

The Japanese in order to allay the fears of the young men, and because they met strong opposition from the puppets, changed their tactics. They announced that the young men would not have to fight their own countrymen, but would be sent to Manchukuo to fight the Russians. Because almost all the young men had fled, they now planned to take the other group from 25 to 30 year who had not escaped. The news leaked out before they were ready to spring the trap and take the men into camp. Many of these also escaped but thousands were seized and are now in training at Nanking and other distant places. The policy followed is always to take the young men away as far as possible from their own territory to a place where they cannot escape so easily. The dialect will be different and it will be easy to detect any who attempt to flee.

A branch of the puppet "Shanghai District Court" for the "Badlands" in West Shanghai is scheduled to be opened on Sept. 1. Lu Chi, a former lawyer in Shanghai, is reported to have been named as president of the branch tribunal.

Sun Back in Moscow

After a brief visit in Paris, Sun Fo, president of the Legislative Yuan, has again returned to Moscow, where he is reported to have been entrusted with an important mission by the National Government. During his visit in the French capital, Mr. Sun, at the request of Dr. Wellington Koo, the Chinese Ambassador there, addressed the staff of the embassy. Mr. Sun was quoted as having said that Soviet Russia is the sincerest and most reliable friend of China. The British and French peoples and President Roosevelt, Mr. Sun added, are ready to give China more positive assistance, but political leaders in Britain and the isolationists in the United States appear to be not sufficiently sympathetic to China's cause. Hence, Mr. Sun said, they have not afforded China enough help as expected. Concluding, Sun Fo expressed confidence in China's ultimime victory in view of the present national unity.

Overseas Chinese Condemn Wang Ching-wei

China Information Committee.

Pictured here are some of the hundreds of messages received in Chungking from Chinese organizations overseas, condemning Wang Ching-wei for deserting to the Japanese camp, attacking his "peace" proposals, and pledging renwed support to the National Government in its policy of resistance against the Japanese invasion of China.

Addressing the Congress of Students in Paris, Dr. Wellington Koo paid a high tribute to China's stamina in fighting Japan. In part, Dr. Koo said: "China has resisted for two years the bloodiest aggression in the history of the world. She is fighting for her independence and territorial integrity as well as for the maintenance of the most sacred principles of order, security and peace."

Speaking on "How to Strive for Victory," Gen. Feng Yu-hsiang, in a radio broadcast at Chungking, exhorted the Chinese people to work for national unity and urged them to carry on their struggle at the cost of all necessary sacrifices and despite all difficulties. Gen. Feng denounced the "traitors," naming Wang Ching-wei, and urged the people to realize that national interests should be held above personal ambitions.

In a radio address on the occasion of the 61st birthday of Senor Manues Quezon, president of the Philippines, Dr. C. Kuangson Young, Chinese Consul-General at Manila, praised Sr. Quezon for his leadership and statesmanship. He compared Quezon to George Washington and Dr. Sun Yat-sen. He said that the Chinese community in the Phillippines, just as much as the Filipinos, look to Quezon for leadership to tighten further the bonds of friendship between the two countries.

The World Peace Association in Boston has cabled a message of sympathy to the Chinese people, expressing support and admiration for China's resistance against Japanese invasion. The message was addressed to Gen. Chen Ming-shu, chairman of the Chinese people's Foreign Relations Association.

A new industrial order as well as a more intense spirit of nationalism, is growing out of China's confident determination to defeat the Japanese invaders, Dr. Hubert Liang, head of the Department of Journalism at Yenching University and now in the United States, told the *Post-Dispatch* in St. Louis. Dr. Liang, who is on a lecture tour of the larger cities of the United States and who plans to leave for Europe soon, said:

Industrial Cooperatives

"Industrial cooperatives are being formed in all parts of the country that is not under Japanese domination. And you can think of the Japanese invasion only of geometrical terms: points and lines. They dominate a railway here and a city there, but you can't block off any appreciable area on the map and say that it is under Japanese control.

"The industrial cooperatives are factories designed to utilize the labor of the country's unfortunate refugees as well as the wealth that has been brought out of reach of the enemy," he explained. "They supply the army with needed munitions, and the farmers with a market, as well as labor with jobs."

However, China's greatest strength probably comes out of the fact that so many persons were forced to go back to their ancient family homes in the interior, said Dr. Liang. This has meant not only a concentration of wealth but also of intelligence and patriotism.

New Policy Toward U.S. Said Planned in Tokyo

A "vigorous policy" to meet the attitude of the American Government in connection with the abrogation of the 1911 Treaty of Commerce and Navigation is being worked out by the Tokyo Foreign Office, the *Asahi* reported Aug. 21. A special committee, organized following the abrogation of the treaty, was reviewing Japan's policy toward America, the paper stated.

Japanese Said Advancing on Ichang; Chinese Offensive Being Prepared

WHILE early this week dispatches from Chungking declared that Japanese forces on the central Hupeh front had advanced as far as Senkiang on the western bank of the Han River, in what appeared to be the first stage of a converging movement with Ichang and Shasi as the objectives, Chinese observers in the provisional capital were quoted by *Reuter* to the effect that the Japanese are not likely to launch any further large-scale drives into the interior.

These sources expected the Japanese to hold strategic points with small garrisons, tighten the blockade of the China coast, establish a "federal" government, and try to undermine China's economic and financial system.

Crux of the Problem

The crux of China's problems, it was contended, was whether the Chinese army had enough artillery, mechanized units, airplanes and other equipment to launch a succesful counter-offensive, as the recapture of any really important city or a major military defeat for the Japanese forces "will ruin the Japanese adventure." Gen. Chiang Kai-shek was said to be conserving his men and equipment "for a decisive battle at the proper moment."

In this connection it was claimed that three million men are undergoing training, while 200,000 are already under arms. Men are also being trained for the air force, artillery units and mechanized warfare. When Gen. Chiang has his three million men trained, and his equipment ready, a counter-offensive will be launched against the Japanese, the observers declared. In what direction the attack was likely to be launched was not stated.

Other Chungking observers who believe that the Japanese will continue to advance into the interior, the *Reuter* report said, are of the opinion that there are three possibilities:

1. A drive to the northwest, with the object or cutting China's overland communications with Soviet Russia.
2. A drive to the southwest, aimed at severing China's railway and highway communications with French Indo-China and Burma; and
3. A thrust into the west of China, with Chungking, the present war-time capital, as the goal.

Chinese Claim Successes

Chinese dispatches continue to claim military successes on various fronts. The *China Evening News*, Shanghai vernacular daily, quoted a field dispatch to the effect that Chinese troops were closing in on Fengsin, to the west of Nanchang, and that occupation of the city was imminent after several days of severe fighting. According to the same paper, a major battle is looming in the Hangchow (Chekiang) sector, with heavy Chinese forces massing along the Shanghai-Hangchow Railway and in the adjacent countryside. The paper said that Japanese military establishments had been moved out of Hangchow to Kashing.

A Hongkong dispatch to the *China Evening* News on Aug. 17 said that all preparations had been completed for a major counter-offensive intended to result in the retaking of Canton and that the drive would be launched from three directions "shortly." Gen. Pai Chung-hsi, director of the Generalissimo's headquarters for the Southwest, would direct the drive, it was claimed. Heavy Kwangsi forces were said to be moving eastward to participate in the drive.

Chinese forces lost a total of 23,770 dead in clashes with Japanese troops in North, Central and South China during the month of July, according to an announcement by the Army Section of the Imperial General Headquarters in Tokyo on Aug. 19. Japanese casualties were given as 809 killed. During the month, on all fronts, the Japanese engaged 307,500 Chinese, of whom they took 1,600 prisoners, it was stated.

A Chinese report to the *Sin Wan Pao* on Aug. 18 claimed that 20,727 Japanese soldiers were killed and wounded, and 320 taken prisoner, in the Honan-Hupeh area during the period from April to July.

S'hai Faces Food Riots As Rice Prices Soar

The grim specter of widespread food riots hovered over Shanghai this week as the price of rice, $20 per picul about one month ago, soared to $45 on Wednesday, with every likelihood that the price may go still higher. Wednesday's price was $8 higher than that prevailing on Tuesday.

Shanghai's harrassed Chinese population showed their anger and desperation when two rice shops in the French Concession were attacked. French police dispersed the rioters after a small quantity of rice had been seized by the enraged people.

A mob of about 500 Chinese rushed a rice and flour shop at 81 Changping Road, in the International Settlement, on Aug. 20. They wrecked the shop and got away with about 100 bags of rice and 14 bags of flour before police reached the scene. There have been 14 rice looting incidents in Shanghai in the past two weeks, due to the incessant increases in the price of the staple.

The prevailing high price of rice is due to the profiteering activities of rice merchants who are profiting by an acute shortage which is believed largely due to the Japanese Army's action in buying up all supplies they can lay their hands on. At the same time, wild rumors are circulating that rice merchants have stored away a million bags of rice, expecting to sell at a huge price later if grain imports to the Settlement and Concession are limited by the Japanese in the course of a blockade of the two foreign-controlled areas.

Fate of 4 Terrorist Suspects in Balance

WRIT REFUSED IN LONDON

The application in London for a writ of habeas corpus was refused by Mr. Justice Cassels on Aug. 23, *Reuter* reports. Presumably the Judge upheld the argument of Mr. Terence O' Connor, counsel for Lord Halifax, that a writ of habeas corpus could not be issued in respect to a person or persons abroad who do not owe allegiance to the King.

The fate of the four Chinese terrorist suspects held in the British municipal jail at Tientsin, whom the British Government recently agreed to hand over to the puppet Chinese authorities, still hung in the balance this week as efforts were continued to secure their release on a writ of *habeas corpus*. The four men have been imprisoned several months without trial on suspicion that they were implicated in the assassination of Chen Shi-kang, Customs superintendent, and a puppet of the Japanese, in Tientsin last April 3.

On August 17, Judge P. Grant Jones of the local British Supreme Court rejected an application for a writ of *habeas corpus* on the grounds of technical irregularities. The application, filed by Messrs. H. A. Reeks and J. R. Jones of the local British law firm of Ellis and Hays, was made on behalf of Mr. Norman Bentwich, Professor of International Law at the University of Jerusalem, and Miss M. Fry, a director of the British Broadcasting Corporation.

Judge Denies Writ

In denying the application for a writ, Judge Jones declared that every such application should be supported by an affidavit...made by the prisoner or party who claimed the writ on his behalf and with his authority, or by some person who could satisfy the court that the person on whose behalf the application was made was so coerced as to be unable to make an affidavit. No such affidavit was submitted and the application was vague in that it did not give the names of the four persons involved. Citing legal authority for the contention that "a mere stranger or volunteer...who has no authority to appear on behalf of a prisoner or right to represent him will be allowed to apply for a *habeas corpus*," and pointing out that the applicants had not, in their joint affidavit, shown that the prisoners in Tientsin were so coerced as to prevent their making an affidavit in their own behalf, His Lordship dismissed the application.

The matter is not being allowed to rest there. Messrs Elwell and Binford Hole, legal representatives of Ellis and Hays in England, were this week to plead before a London court for the issuance of a writ which would require that the four prisoners either be brought before a British court or released. If this action fails, it is understood that a fresh application for a writ of *habeas corpus* will be made to the full bench of the British Supreme Court in Shanghai.

To support the fresh Shanghai application, Mr. Barry Eastman, American attorney representing Ellis and Hays in Tientsin, visited the four prisoners in jail on Aug. 18 and reportedly obtained from them a power of attorney which was sent to Ellis and Hays, authorizing the latter firm to represent them.

The British Government's decision to hand the four suspects over to the Chinese puppet court in Tientsin followed "fresh evidence" of their alleged guilt, furnished by the Japanese. This fresh evidence, which it took the Japanese four months to produce, was said to constitute a *prima facie* case of sufficient strength to warrant the extradition of the four.

Two Chinese in Hongkong last week confessed in affidavits that they were the slayers of Chen Shih-kang and offered to surrender themselves to the Hongkong Government if given a guarantee that they would not be handed over to the Japanese. No action has yet been taken on the confession.

Japanese Bombers Destroy Churches

REFUGEE CAMPS BOMBED

Twenty - seven Nipponese bombers raided Chungking by moonlight on Aug. 23 and rained bombs on refugee camps located in the southwestern suburbs of the city. Casualties were believed to be very heavy due to lack of sufficient dugouts and bomb-proof shelters.

The Canadian Church Mission and the United Church of Canada, together with the adjoining hospital and clinic, were destroyed Aug. 19 when Japanese bombers raided the city of Kiating, in western Szechwan, according to a *United Press* message from Chungking.

Thirty-six raiding planes wiped out one-third of the city, which had an estimated population of 60,000. There were 1,000 casualties and the majority of the injured died.

Despite the magnitude of the tragedy, Chinese in Kiating were said to be chuckling over the belief that the Japanese "believed their own rumor" since a Japanese radio broadcast, the day before the raid, announced that Gen. Chiang Kai-shek had moved his headquarters to Kiating. The raiders, they said, hoped to bomb the new headquarters out of existence, but the reported removal of headquarters to Kiating was merely a Japanese rumor.

An American institution, the Reformed Church Mission at Yuanling, Hunan, was bombed by Japanese planes on Friday Aug. 18, *United Press* reported from Chungking, quoting information received by the American Embassy from the Rev. George R. Snyder, who said that two of the mission's chapels had been destroyed by fire caused presumably by incendiary bombs. Twenty Americans residing in Yuanling escaped injury, the report said.

More than 100 Japanese bombers passed close to the southern section of Chungking on Aug. 19, *Reuter* reported, but did not attempt to bomb the provisional capital when Chinese pursuit planes took off to engage them. The aerial armada veered westward and it was part of this fleet which subsequently bombed Kiating.

Shanghai Tenants Combine To Fight High Rentals

Preparations were under way in Shanghai this week for calling a mass meeting of tenants to protest against the exorbitant increases in rentals which landlords are trying to exact from apartment and house dwellers following the catastrophic fall in the exchange value of the Chinese dollar. Sponsoring the protest is the Shanghai Tenants' Association, which was launched Aug. 18 at a meeting attended by representatives of tenants in several of Shanghai's largest apartment buildings. A representative of the Property Owners' Association was to be asked to attend the meeting to explain the reason for the enormous increases in rentals and to state why rentals in many cases are now being charged in American dollars or pounds sterling The placing of rentals on a foreign currency basis has resulted in increases as high as 50 per cent in some cases.

The Central China Liaison Office of the Asia Development Board is concerned over the action of the Shanghai Land Investment Company, Ltd., a British firm, in raising rents 50 per cent in the Pearce Apartments, at the intersection of Chapoo and Boone Roads in Hongkew, Lieut.-Col. Takahashi, investigating official of the office, declared last week, according to *Domei*. The Asia Development Board was interested in the case, he said, because the living standards of Japanese residents may be threatened, even though the apartment building in question is operated by third-power nationals in a Japanese defense area. Tenants of the building are fighting the 50 per cent increase and have threatened to withold rent payments until an equitable agreement is reached with the owners.

Postage Rates Going Up By 100 Per Cent

Postage on letters and other articles mailed in China for destinations abroad will be increased 100 per cent as from Sept. 1, it was announced last week. Domestic postage rates will not be changed. Postage rates for articles mailed abroad are based on the gold franc, and the depreciation of the Chinese dollar has dictated the increase. The gold franc is now worth more than $2.50 in Chinese currency.

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Japanese Apologise For Slapping Woman

An apology for the slapping of Mr. Frances Mary Richard, 59-year-old American woman, by a Japanese sentry in Tientsin on Aug. 14, drew an official apology from Japan, according to an announcement made in Washington four days later by Mr. Sumner Welles, Assistant Secretary of State. A spokesman for the Japanese Embassy confirmed this at a press conference here and and said that the sentry had been duly punished in accordance with military discipline, while further orders had been issued by the military authorities, emphasizing that other Americans "who behaved in a proper manner" must be treated with due courtesy.

By way of contrast, the Japanese military spokesman in Peiping, according to a *United Press* report, declared on Aug. 18 that the sentry responsible for the slapping of Mrs. Richard "will not be punished" and added that Japanese sentries at Tientsin "have not been ordered to refrain from slapping foreigners."

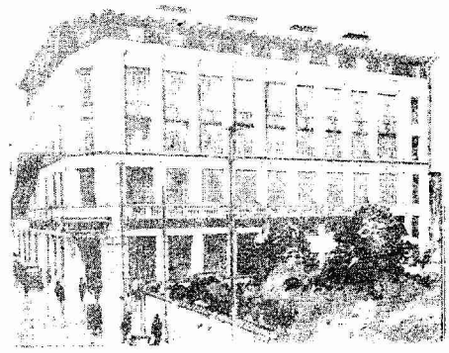
Contradictory Statement

An earlier, and curiously contradictory, statement on the subject was given by the spokesman of the local Japanese Embassy. Attempting to justify the assault on Mrs. Richard, he said the sentry hit her in the face with the flat of his hand because he suspected that she was "abusing" the courtesy card given her by Mr. N. Nishida, Japanese Vice-Consul. This suspicion of abuse "excited" the soldier, he said. Abuse of the card allegedly consisted in Mrs. Richard's bringing large quantities of foodstuffs into the British Concession on the strength of her Japanese courtesy card, and thus violating the Japanese blockade of that area. The Japanese report on the matter from Tientsin said that Mrs. Richard had been asked to surrender the card. She not only refused to pay any attention to the sentry "but behaved in an insolent manner."

Asked why Mrs. Richard needed any card at all if it were true that there were no restrictions on American nationals and their right to transport foodstuffs, the local spokesman reiterated that there were absolutely no restrictions and that Mrs. Richard had simply been suspected of "abusing" Mr. Nishida's courtesy card.

Compile List of Incidents

Mr. Summer Welles, Assistant Secretary of State, last week confirmed reports that American consular officials were compiling a list of all cases of Japanese mistreatment of Americans in China since the outbreak of the Sino-Japanese war. According to *United Press*, Washington observers believe that the list eventually will be used for a new blanket protest to Japan or for presentation of the American case if and when negotiations for a new commercial treaty with Japan are opened. Although the compilation is still going on, 600 incidents have al-



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ready been listed, the *United Press* report stated.

In Peking on Aug. 19, according to *Domei*, the Japanese military authorities denounced reports of anti-American movements in North China as "malicious propaganda" designed to. impair relations between Japan and the United States. Dealing with an allegation that an American missionary had been "driven out" of Hwohsien in Shansi province by the Japanese, the statement was made that the missionary in question went voluntarily to Tientsin because of anti-British agitation in Hwohsien, "fearing that Chinese demonstrators would be unable to distinguish between Britons and Americans."

Authoritative quarters in Tokyo, according to a report by the same agency on Aug. 17, declared that reports that an anti-American movement had been launched recently along with anti-British agitation in China, following the abrogation of the American-Japanese trade treaty, "were found to be utterly groundless after a careful investigation."

Chungking Pays Upkeep Of 'Lone Battalion'

Japanese allegations that the Chinese government had failed to remit funds necessary for the upkeep of the "Lone Battalion" were categorically denied Aug. 20 by the Chinese Foreign Office spokesman.

He pointed out that, according to information furnished by the British Embassy, the expenses incurred by the Shanghai Municipal Council for the maintenance of the "Lone Battalion" up to March last had amounted to $43,600.

Payment of this sum, he declared, was ordered by the Ministry of Finance early in April. At the same time, the Government undertook to reimburse the Shanghai Municipal Council for a sustenance allowance to be advanced by them.

The spokesman said the Council, having taken upon themselves the friendly duty of interning the "Lone Battalion" in the Settlement, "are expected to give them continued protection, in accordance with usual practice, and not to accede to any unreasonable demands for their surrender."

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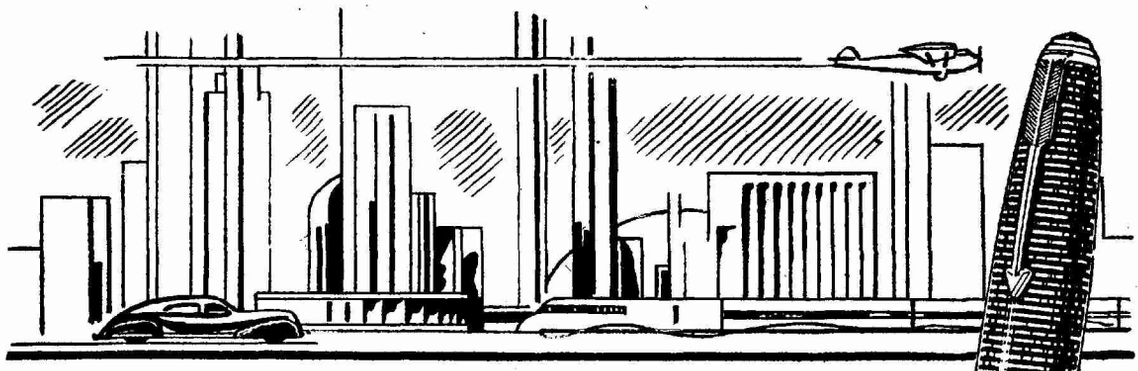

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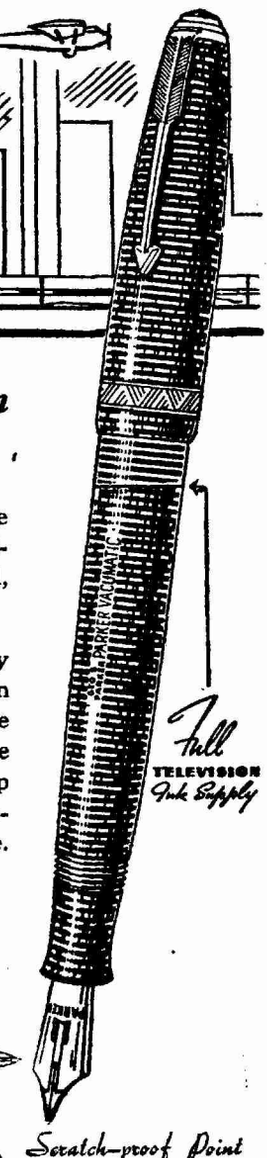

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Chinese, Nippon Education Systems Seen Battling for Control of Youth

BY S. N. CHIANG

THE extent of the losses and damage suffered by the schools of Changchow, Kiangsu, as a result of the Sino-Japanese hostilities, is appalling. Many schools were burned down and others were partly destroyed during and after the withdrawal of Chinese troops from the vicinity of Shanghai in the latter part of 1937.

Since the spring of last year, some of the schools have been reopened, because the Japanese "rulers" of the hsien desired to pacify the people whom they had outraged. Since, however, the Japanese occupied only the city proper and some of the communication lines, the schools today are divided into two groups. One group is controlled and directed by the Japanese, and the other by the representatives of China's National Government.

Japanese Reopen Schools

Following the capture of the city in 1937, the Japanese organized a "Peace Maintenance Committee" for the restoration of order. Several months later this Committee was abolished and a hsien government under the "Reformed Government" at Nanking, with Lai Ti as the puppet chief, took its place. The Japanese believed that by means of this local administration their political aims would be furthered and that they would gradually gain in popularity among the people. First of all, they considered it imperative to reopen the schools, and many primary schools were opened through the efforts of the puppet administration.

According to statistics compiled by the Educational Affairs Bureau of the puppet administration there have been established 88 primary schools (including private schools) with 249 classes, 268 teachers and 13,064 pupils. They receive subsidies totalling $6,490 monthly. In addition, there are two junior middle schools with seven classes, 33 teachers and 293 students, receiving $1,007 monthly in subsidies. All these schools, it should be noted, are located either within the city proper or in the suburbs, because the Japanese have not yet been able to establish their authority in the surrounding rural districts.

Nippon-Edited Textbooks

The textbooks used in the primary schools are edited by the Special Service Section of the Japanese Army. In the middle schools, the Japanese language is taught in preference to English. This Japanization of the school system tends to make the pupils forgetful of Japan's war on China which is still ravaging our country and the heavy responsibility of the pupils in the task of freeing their country from invasion.

While the Japanese are trying to promote their own corrupt education in Changchow city, the various local authorities in the surrounding areas, under the direction of the central hisen government, have been restoring their own school system. Preparations were started in the spring of 1938 for the reopening of rural primary schools which the war closed down in the autumn of 1937.

Prior to the hostilities, this hsien (Wu-chin hsien) was divided administratively into ten precincts where there were 11 middle schools and 393 primary schools. These schools ran 966 classes and had 1,426 teachers and 57,596 pupils. Their annual budget was $392,998.86. Today, of the ten precincts, the schools have been reopened in eight. The official in charge told me last week that up to the present about 253 schools have been opened. The two remaining precincts are the city of Changchow and its suburbs, which is under puppet rule, and Ma Shan where restoration of the schools is impossible because more than 1,000 people were slaughtered by the Japanese in 1938 and a great number of houses burned down. (Ma Shan is a hill on the shore of Tai Hu and is famous for its strawberry crop).

Regarding funds for education, part of the land tax revenues, now collected in the form of "patriotic contributions," are being appropriated for this purpose. The amount, however, is small in comparison with pre-war days.

That education is vital in the life of a nation goes without saying. Now, however, it has added significance, especially in parts adjacent to occupied areas. Japanese terrorism has disheartened the people and daunted their spirits. Education and propaganda will stimulate national feeling, revive the spirits of the people, and sustain them with the thought that sooner or later our government will recover the lost territory—provided all Chinese stick together to serve the country, give every possible aid to the soldiers and guerrillas in their attacks on the enemy, and refrain from cooperating with the invaders and their puppets.

Changchow, Kiangsu,
July 22, 1939

S.M.P. Officers Resign Because of Currency

The Shanghai Municipal Police face the possibility of a serious depletion in strength, following the the resignations of four inspectors, a sub-inspector and other personnel. The four inspectors are B.B. Everest, B. Palmer, A. Turner and J. T. Shields, while the fifth officer is Sub-Inspector H. J. Stocks. Several sergeants have also handed in their resignations, it is learned.

Major reason for resignations on this rather large scale is that the men have commitments to meet in England, and are finding this impossible at the present rate of exchange, since they do not receive the benefit of an exchange compensation. Other members of the Settlement force with commitments abroad, if they have not already handed in their resignations, are said to be contemplating such action.

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Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of the Review.

August 6

The fighting between the Chinese and Japanese forces in south Honan is now shifting to northern Hupeh, while the center of fighting in south-eastern Shansi has shifted to east Shansi, according to Chinese dispatches from the Shansi and Hupeh fronts received at Chungking. On Aug. 2, the Chinese recaptured Changchih, Japanese stronghold in East Shansi.

Japanese aircraft active during the past few days. Kweilin, capital of Kwangsi, bombed yesterday. Anfu and Kiukiang in Kiangsi and Chienying in Fukien raided on Aug. 4.

Anti-American outbreak reported in Shihchiachwang, on Peiping-Hankow Railway. Demonstrations staged soon after denunciation of the U. S.-Japan commercial treaty by Washington, according to American travellers arriving at Peiping.

***

August 7

Japanese planes on August 6 bombed and destroyed two British cargo ships, **Hsin-Changwo** and **Kiawo**, of the Indo-China Steam Navigation Company, in Ichang. The Asiatic Petroleum Company property in Ichang also damaged. Rear-Admiral R. V. Holt, Commander of the British Yangtsze Patrol, protested to Vice-Admiral Hosiro Oikawa, Commander-in-Chief of the Japanese China Seas Fleet.

Anglo-Japanese negotiations deadlocked. Tokyo press predicted that the conference would face an imminent crisis, if new instructions from London to Sir Robert Craigie, British Ambassador, ignore Japan's demands.

Japanese army press spokesman in Shanghai alleged that "impending participation" of Marshal Wu Pei-fu in a new puppet government to be formed by Wang Ching-wei was causing "unrest" in Chungking and among Szechwan provincial troops.

Peiping "Provisional Government" is demanding the transfer of the Tsiaotso coal mines in Honan of the Anglo-Chinese Finance and Trade Corporation to its control, according to Japanese reports from Kaifeng.

***

August 8

The Ministry of Finance at Chungking announced further drastic restrictions on the movement of gold, silver and bank-notes. Permits required for transportation of gold and silver. Presons leaving China allowed to carry with them only $500 and in the case of foreign currencies the equivalent of this amount.

Central Bank authorities formally denied that any new order had been given for the printing in London of 1,000,000,000 bank-notes by two British firms, as alleged in a recent **Reuter** report. Officials of the Finance Ministry explained that contracts for the order were signed two years ago.

Reports of anti-American movement in North China confirmed by British missionaries arriving at Peiping from Shihchiachwang. Signs such as "Overthrow America" seen posted throughout the town. Japanese Embassy spokesman at Peiping denied that there was an anti-American movement anywhere in North China.

Anti-Chinese movement in Siam spreading. According to reports received at Chungking, there have been wholesale arrests of Chinese Kuomintang leaders in Siam since July.

***

August 9

Anti-British campaign spreading to South China. The British Consulate at Swatow attacked and stoned on August 7 by an inspired Chinese mob. One of the demonstrators was injured in a clash with British bluejackets, who were landed from the warship **Tenedos** to protect the consulate. The Japanese Consul at Swatow yesterday protested to the British consular authorities, demanding:

1. The British Consul admit that British sailors were involved in the riot.
2. Compensation for the injured Chinese.
3. An apology from the British authorities.
4. Punishment for the British sailors.
5. A British guarantee that there be no further incidents of a similar nature.

Anti-British drive started in Hankow following the organization there of a "Central China People's Anti-British Association."

Anti-foreign movement in North China becoming more serious, following receipt in Peiping of reports of the arrest of additional missionaries by the Japanese and confirmation of the eviction of an American family from Hwohsien, Shansi. Chinese employed in British firms in Peiping ordered to quit under threats of bodily harm. Two Canadian Catholic fathers arrested in Hsuchow by the Japanese on spy charge.

Roman Catholic church property in Taichow Islands, off Chekiang, badly damaged yesterday, when Japanese planes bombed the islands. Over 1000 Chinese houses demolished.

Report that the United States Treasury has purchased 6,000,000 ounces of Chinese silver confirmed in Chungking.

Cyril Rogers, of the Bank of England and Britain's representative on the Control Board of the Sino-Japanese Stabilization Fund, now visiting in Shanghai. Mr. Rogers reported conferring with the British Ambassador, Sir Archibald Clark Kerr, and British bankers here on China's currency situation.

Wang Ching-wei reported to have been granted sum of Y1,500,000 by the Japanese to finance the organization of a so-called "national party congress" preparatory to the formation of a new puppet government. In a radio broadcast from Canton, Wang appealed to the Chinese forces in Kwangtung to conclude a regional peace with the Japanese. Wang reportedly arrived at Canton late in July.

Sir Robert Craigie, British Ambassador at Tokyo, protested to the Japanese government over the confiscation of British mines in Tsiaotso, Honan.

***

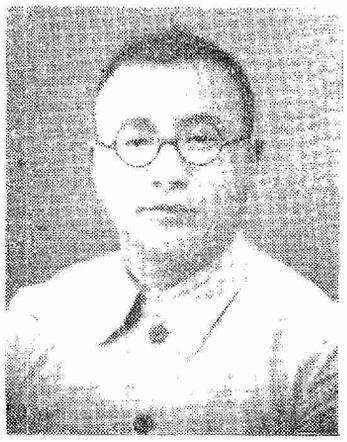
August 10

Japanese forces in north Hupeh reported to have been repulsed with heavy losses, which have resulted in a general retreat since August 8. The line of retreat extended from Anchu to Kaocheng.

The controversy between the Japanese and British authorities in Swatow, arising out of the alleged

Who's Who in China

Chiu Chang-wei, Government official; born at Yuanchow, Hunan, 1898; attended Yale-in-China, Hunan; B. A. Pamona College, U.S.A., 1923; M. A. Columbia

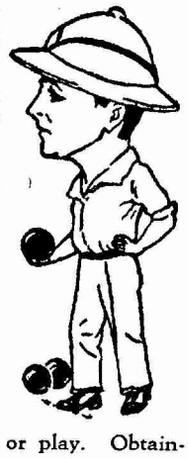


邱昌渭字毅吾
Chiu Chang-wei

University, 1924 and Ph. D. 1928; Professor of Political Science, Northeastern University, Mukden, 1928-30; Professor and Chairman of Political Science Department, Peking National University, 1930-32; Director of Intelligence and Publicity Department, Ministry of Foreign Affairs, Nanking; Chief Secretary of the Fourth Army Corps under command of Gens. Li Tsung-jen and Pai Chung-hsi; Commissioner of Education of Kwangsi Provincial Government; now, Commissioner of Civil Affairs of Kwangsi Provincial Government and member of Kwangsi Provincial Party Headquarters; address: Kwangsi Provincial Government, Kweilin, Kwangsi.

You Must Be Up

to the mark in general fitness to play bowls well. Co-ordination of hand and eye is easily upset by a touch of liver or biliousness.



To correct the trouble all that is usually needed is a dose of Pinkettes.

These tiny pink laxative pills correct constipation, activate the liver, dispel biliousness and sick headaches, aid digestion, stimulate the appetite, and relieve piles. Acting in a gentle manner Pinkettes neither gripe nor purge, and they do not form habit.

Taken occasionally, when needed, they keep you in the pink of condition for work or play. Obtainable at all chemists.

assault by British bluejackets of Chinese anti-British demonstrators on Aug. 7, settled after the British authorities had apologized and accepted the five Japanese demands.

Japanese army spokesman denied anti-American movement in Japanese occupied areas in China. Reports of anti-American agitation in Kaifeng and elsewhere dismissed as false by the spokesman.

Maj.-Gen. Akira Muto, staff officer of the Japanese forces in North China and head of the delegation representing the Tientsin Japanese military authorities at the Anglo-Japanese conference in Tokyo, threatened that he would quit the conference, unless the negotiations were resumed within three days.

Wang Ching-wei reported planning to establish a new "National Government" at Canton next Oct. 10, the anniversary of the Chinese revolution.

According to official announcement by the American Embassy at Chungking, several Americans at Kaifeng, Honan, have been detained by the Japanese Army there. The announcement said that the Embassy was making efforts to obtain detailed information on the matter.

*
**

August 11

The four Chinese suspected of murdering Cheng Hsikang, head of the Japanese-controlled Customs at Tientsin on April 9, will be handed over to the "Provisional Government" court of Tientsin, the British Embassy at Tokyo announced on instructions from London. The Japanese authorities have presented sufficient evidence for such action, the British Embassy said in making the announcement.

Professor Norman Bentwich, professor of International Relations at Jerusalem University, and Miss Sara Margery Fry, Governor of the British Broadcasting Corpoartion, alarmed by the British Government's decision to hand over the four Chinese suspects in Tientsin, instructed a London firm of solicitors to apply to the British Courts in China for a writ of **Habeas corpus** in respect of the four Chinese.

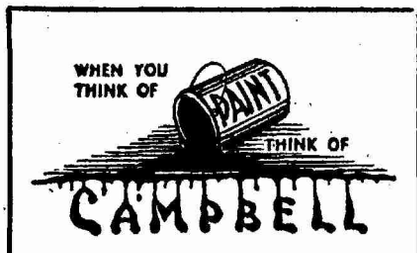
Anti-British disturbances in North China desired by a Japanese spokesman in Peiping, who expressed the hope that all Chinese employees of the Hongkong & Shanghai Bank in Peping would quit their jobs. The spokesman added that anti-British movement in North China was spontaneous and not supported by the Japanese authorities.

Japanese to be Taxed Another 730 Millions

Japan's total national revenue for the 1940-41 fiscal year will reach a level of Yen 3,300,000,000 as a result of a new taxation program, which is expected to yield Yen 730,000,000, Government officials in Tokyo indicated last week, according to a *Domei* report.

It was understood that estimates of various Ministries for the next fiscal year reached a total of Yen. 7,000,000,000, of which Yen 3,500,000,000 was expected to form the basic budget, while the other half represents requirements for new enterprises of various Ministries.

However, it was anticipated that the total sum for new enterprises would be cut one-half by the Finance Ministry, thus bringing the total of the national budget for the next fiscal year to about Yen. 5,000,000,000. About Yen 3,300,000,000 of this sum was expected to be covered by national revenue, with the remaining Yen 2,000,000,000 covered by national bond issues, as previously announced by Mr. Sotaro Ishiwata, Finance Minister.



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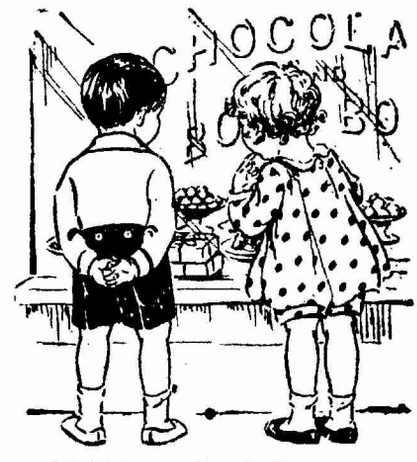

Children And Sweets-Two "Don'ts" To Observe.

A wise mother cautions her children thus regarding sweets—"Don't eat too many, and don't eat them at all unless you know where they come from."

If, in spite of watchful care, your "don'ts" have been flouted, the surest way to avoid the consequences is promptly to administer a dose of Baby's Own Tablets, which, by their gentle laxative action, remove any substance liable to upset the delicate digestive machinery of young children.

This ideal specific, originated by a British doctor specially for the treatment of the health upsets of the young, dispels constipation, indigestion, 'wind', checks diarrhoea, vomiting, corrects feverishness, relieves colds and croup, expels worms, and is an invalubale aid when teething is difficult, as the tablets settle the stomach, ease the pains, quiet the nerves and promote restful health giving sleep. Baby's Own Tablets are obtainable at chemists everywhere.

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89-479

Men and Events

Francis B. Sayre, recently appointed High Commissioner to the Philippines in succession to Paul V. McNutt, was previously a professor of law at Harvard University. In addition he was director of the Harvard Institute of Criminal Law. From this position he went to Siam as an adviser on foreign affairs and in the two years he spent at Bangkok, he negotiated political and commercial treaties with France, Great Britain, The Netherlands, Spain, Italy and the Scandinavian countries. Later he returned to Washington and was appointed Assistant Secretary of State by President Roosevelt in 1933. While in this position, Mr. Sayre had charge of the negotiations concerned with the Hull reciprocal trade agreements which have been the keystone of State Department policy. He is 54 years old and is a son-in-law of the late President Woodrow Wilson.

Francis B. Sayre

*

Dr. Ma Chin-wu has been appointed President of National Kwangsi University, according to announcement of the Ministry of Education at Chungking on Aug. 23.

*

The Indian nationalist leader, Pandit Jawaharlal Nehru, who is expected in Chungking shortly, will be the guest of the Kuomintang while in the Chinese national capital, according to a *Reuter* report from Chungking on Aug. 18. Chu Chia-hua, Secretary-General of the Kuomintang and 200 other prominent leaders will great Mr. Nehru at the airport and will have charge of his entertainment while in China.

*

The management of the Chinese newspaper *Wen Wei Pao*, or *Daily Standard*, has denied a report that it had become an organ of the Wang Ching-wei faction. The paper was suspended several weeks ago by the municipal police as a result of Japanese pressure, but recently it was announced that the paper would be reorganized and would resume publication. The management announced that the paper would resume publication on the Chinese national holiday, Oct. 10.

*

Neil Dalton Brown, manager of Globe Wireless in Shanghai, was married on August 19 at Community Church, to Miss Delora, daughter of Mr. and Mrs. van Heemsbergen. The wedding was followed by a reception at the American Club. The bride was given away by O. G. Steen of the American President Lines, while the ceremony was performed by the Rev. Carleton Lacy. The groomsman was Sydney Marco with Mrs. Marco serving as matron of honor. Mr. and Mrs. Brown will reside at the Palace Hotel.

According to an official *Tass* agency report from Moscow on Aug. 16, more than 3,000 collective farmers from the Ryazan region of European Russia had expressed a desire to settle in the Far East. Some 300 families will be settled in the vicinity of Khabarovsk and at Omsk.

*

Martin R. Norins, recent graduate of the University of California, passed through Shanghai last week on his way to Kunming and Chungking where he will write a series of articles for the San Francisco *Chronicle*, Los Angeles *Times* and Oregon *Journal*.

*

Dale Carnegie, author of "How to Win Friends and Influence People," who has been touring Japan, Manchuria and North China, arrived in Shanghai this week and plans to remain here for several days. He is the guest of Mr. and Mrs. G.G. Bradford at Grosvenor House. Mr. and Mrs. Bradford have just returned from vacation in Japan.

*

The first units of a concentration of some 20 British, French and Australian warcraft arrived at Singapore on August 18. The first units consisted of the H. M. S. Medway and her brood of submarines and will be followed by the H. M. S. Eagle, aircraft carrier and the Defender. Others to follow are the H. M. S. Westcott and submarines, the French submarine Espoir and cruiser Suffren. The Australian cruiser Sydney is scheduled to arrive on Aug. 30.

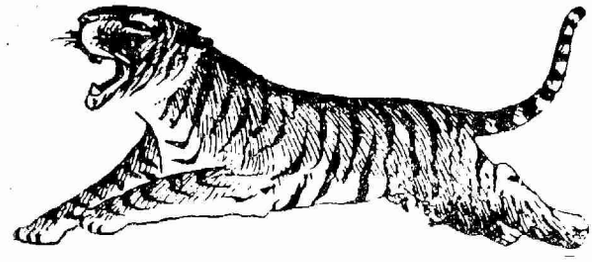
A *Transocean* report from Munich on Aug. 17 stated that another German expedition is to be sent to India to attempt again the ascent of the mountain Naga Parbat. The report was made by the German Himalaya Foundation which fostered the previous expedition.

*

Manfred Barber, a vice-president of Chase Bank, accompanied by Mrs. Barber, arrived in Shanghai recently, following a stay of six months in Hongkong. On Friday of this week, in company with Alfred E. Schumacher, manager of the Shanghai office of the Chase Bank, they were scheduled to be hosts at a cocktail party at the Chase Bank Club, Rockhill Avenue. Mr. and Mrs. Barber are scheduled to return to the United States early in September.

*

The Japanese army-controlled Central China Telecommunications Company, Ltd. has practically completed reconstruction of the large Chinese wireless receiving plant near Liuho, according to a report published in the Shanghai *Mainichi* (Aug. 13). The station was airbombed and practically destroyed by the Japanese in the course of their invasion of the Shanghai district in 1937. The Japanese began rebuilding the station in April and according to the report they hoped to have 30 receiving sets installed by December and ultimately hoped to have 50 sets in operation. The new equipment will cost in excess of Yen 1,000,000 according to the report, which stated that the sending station at Chenju, near Shanghai, had been completely rebuilt by May 5.



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ENG AUN TONG

THE TIGER MEDICAL HALL

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The American University Club has announced a garden party to be held on the campus of St. John's University, Jessfield, on Saturday, August, 26, beginning at 2:30 o'clock in the afternoon. The program will include various sports events while music will be supplied by the Fourth Marine Band.

*

A report in the *Shun Pao* on Aug. 19 stated that the Japanese had removed the rails of the Shanghai-Hangchow Railway for a distance of seven kilometers between South Station and Lunghwa on the border of the International Settlement. The report stated that the rails had been transported to Hongkew, presumably for disposal in Japan as scrap iron.

*

A company to be known as the China Hsin Yieh Company was organized in Chungking on Aug. 16 for the purpose of promoting industrial enterprises in the interior. The company is capitalized at $1,000,000 and will have its head office in Chungking with branches in leading cities of the west and southwest. Dr. H. H. Kung, Minister of Finance will be chairman and Fu Yu-ling, former vice-minister of Interior, will be general manager. The report stated that plans are being made to form a large iron and steel enterprise at Chungking.

*

E. Vega, Consul-General for Chile in Shanghai, has been transferred to Tokyo where he will serve as Counsellor of the Chilean Embassy. Mr. Vega was given a farewell luncheon at the French Club by the Shanghai Consular Body on Aug. 17 when he was presented with a silver cigarette box containing the signatures of all foreign consular heads in Shanghai. The presentation was made by Poul Scheel, Danish Consul-General and present Senior Consul. Mr. Vega arrived in Shanghai in April, 1935. He will be succeeded here by Dr. Juan Naryn, who is expected to arrive about the middle of September.

*

George Dietrich, assistant treasurer of the firm of McKesson and Robbins, pleaded guilty to mail fraud conspiracy in New York Federal Court on Aug. 18. Dietrich, who is subject to 67 years' imprisonment on 14 different counts, will be sentenced on Sept. 20 when his trial with some 20 other co-defendants opens. The firm of McKesson and Robbins, third largest wholesale drug and chemical house in the world became involved in financial complications and filed petition in voluntary bankruptcy on December 8 last year. It was then disclosed that the president of the Company, Donald Coster, had been involved in fraudulent stock operations involving fictitious assets of US$18,000,000. Coster, who was found to have a previous criminal record, committed suicide. McKesson and Robbins were well known in China as extensive dealers in wood oil and previously maintained an office in Hankow. According to the Federal Bureau of Investigation, Coster, head of the concern, was involved in a scheme to sell 2,000,000 rifles and 2,000,000,000 cartridges to China, but the deal failed when the U. S. Government placed the munitions in reserve.

Robert Y. Horiguchi, head of the English section of the official Japanese *Domei* service and interpreter attached to the Army and Navy spokesmen's office at Broadway Mansions, Shanghai, has gone to Unzen, Japan, to join his wife, Karen, who is seriously ill. Mrs. Horiguchi is a native of St. Louis.

*

Col. Dijxhoorn, defense minister of the Netherlands Government, announced on Aug. 19 that the government had decided to increase the naval armament in the Netherlands Indies in the near future. Col. Dijxhoorn's statement was made in the course of an inspection of the destroyer Tromp which is being sent to the Far East this month.

*

The Civil Aeronautics Authority at Washington, D. C., on Aug. 19, granted two Japanese newspapers, the Tokyo *Nichi-Nichi* and Osaka *Mainichi*, a permit to fly across Alaska late this summer. The "good-will" round-the-world flight, sponsored by the two Japanese newspapers, is designed to focus attention on Japanese civilian aviation progress, according to the Washington report.

The Shanghai *Mainichi*, on Aug. 16, stated that there are now 300,000 Japanese residing in China, the report presumably referring to civilians. The number before the outbreak of the war was 67,000. The number residing in Central China had increased from 29,100 before the war to 95,800 at the present. The number in Shanghai had increased from 28,000 to 45,000; Hangchow from 1,000 to 1,500 and Nanking from 1,000 to 5,000.

*

Miss Helen Vooros, 19-year-old Brooklyn girl, who recently returned to the United States following an extensive tour of Germany, said that German propaganda schools taught their pupils that President Franklin D. Roosevelt "had a streak of Jewish blood." Miss Vooros' statement was made in the course of testimony before the so-called Dies Committee of Congress which is investigating anti-American propaganda in the United States by the German-American "Bund," an organization which has been responsible for the dissemination of Nazi propaganda in the United States.

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In the United States Court for China

In re. Estate of Albert Fletcher Wilson, Deceased.	Cause No. 4421 Special Proceedings No. 2300 NOTICE Filed at Shanghai, China Aug. 1, 1939 WILLIAM T. COLLINS clerk

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of ALBERT FLETCHER WILSON, deceased, to present the same with vouchers to the undersigned on or before February 6, 1940, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

N. E. LURTON, ADMINISTRATOR,
330 Szechuen Road,
Shanghai, China.
Shanghai, China.

In the United States Court for China

In re. The Last Will and Testament of OLIVER CROMLOW CRAWFORD, Deceased.	Cause No. 4424 Special Proceedings No. 2303 NOTICE Filed at Shanghai, China, August 12, 1939 WILLIAM T. COLLINS Clerk

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of OLIVER CROMLOW CRAWFORD, deceased, to present the same with vouchers to the undersigned on or before March 15, 1940, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Varena Scott Crawford
Executrix of Last Will and Testament of Oliver Cromlow Crawford, Dec'd.
Soochow, China.

Shanghai, China.

M. Jules Brevie, Governor-General of French Indo-China, departed from Saigon on August 19, on his way to Singapore where he will be the guest of the Governor of the Straits Settlements. M. Brevie was accompanied by Mrs. Brevie.

*

The *Shun Pao* stated (Aug. 17) that a company capitalized at $200,000 had been formed by Chinese factory owners for the purpose of promoting the sale of Chinese native products at Singapore, and in the South Seas. The company will only sell articles made in Chinese factories here.

*

Lieut-Commander and Mrs. W. E. Lineweaver have arrived in China where Lieut. Lineweaver will assume the post of radio officer aboard the flagship Augusta. Mrs. Lineweaver and their two children have gone to Tsingtao where they will remain pending the return of the Augusta to Shanghai. Lieut. Lineweaver will succeed Lieut. D. C. Johnson, present radio officer on the Augusta, who is returning shortly, with Mrs. Johnson and their daughter, to the United States. Lieut. Johnson will be assigned to the Great Lakes Station upon his return to the United States.

*

A Briton named B. E. Bolton was put in jail at Taiyuan, Formosa on August 18 because of his refusal to accept a cigarette proffered by a Japanese. Mr. Bolton was dining in a cafe when the Japanese approached him and offered a cigarette. Since Mr. Bolton does not smoke, he declined the cigarette, but the Japanese regarded it as an insult and a fight ensued, resulting in Mr. Bolton and a companion being placed in jail. He was later released, following an apology for his "misbehavior." That the incident may have been more serious than was indicated in the report, which was based entirely upon Japanese information supplied in Tokyo, was indicated in a *Transocean* dispatch on Aug. 19. The dispatch stated that an anti-British mass meeting was held in Taihoku on Aug. 18 (same day as the incident) in which 20,000 persons participated and "threatened an Englishman residing in Taihoku." The mass meeting allegedly passed resolutions demanding cessation of the Anglo-Japanese Conference at Tokyo.

*

Admiral Harry E. Yarnell, former Commander-in-Chief of the U. S. Asiatic Fleet, was welcomed home upon his arrival at San Francisco on August 18, by Mayor Angelo Rossi who declared the occasion a "Day of Special Ceremony" in Admiral Yarnell's honor. The ceremony was participated in by Army, Navy, maritime and business leaders as well as civic officials. The reception was described as the most enthusiastic ever accorded an American naval officer on the West Coast. Mayor Rossi in his address of welcome credited Admiral Yarnell with responsibility for "keeping the United States out of war," following the sinking of the U.S.S. Panay by Japanese airplanes near Nanking in 1937. A luncheon in Admiral and Mrs. Yarnell's honor, given by the San Francisco Chamber of Commerce, was attended by more than 1,000 persons.

97 More Soviet Planes Shot Down by Japanese?

Japanese aircraft, on Aug. 21, engaged Soviet and Outer Mongolian planes four times over the western Manchukuo border and shot down 97 of them, according to a *Domei* report from Hsinking. This brought the total Soviet and Outer Mongolian aviation losses to 1,101 planes since the Nomonhan incident in May, the agency said, adding that five Japanese planes failed to return to their base following the four engagements on Aug. 21.

The Hsinking correspondent of the Tokyo *Nichi-Nichi* reported on Aug. 17 that the situation between Japan and the Soviet Union was so strained that there was no room left for peaceful negotiations and questions between the two countries would have to be referred to the "arbitrament of the sword." Nevertheless, the correspondent stated, Manchukuo's western border was quiet following a vigorous counter-offensive by Japanese and Manchukuoan troops, which resulted in the "complete repulsion of Soviet and Outer Mongolian troops beyond the western bank of the Khalka River."

Japanese reports from Tokyo claim that Japanese nationals in northern Sakhalin are being subjected to increasing oppression by the Soviet authorities. A new subject of Japanese grievance is the action of the Soviet authorities in Vladivostok in raising tonnage dues against Japanese ships entering the port.

Alaska to be Thrown Open to Immigrants?

A draft bill is being prepared by the U.S. Department of the Interior authorizing unrestricted immigration into Alaska, Mr. Harold Ickes, Secretary of the Interior, announced in Washington last week, according to *Havas*.

The measure is believed to aim principally at allowing Jewish refugees to settle in Alaska, since Mr. Ickes declared two days previously that "handicraftsmen fleeing from Europe could play a preponderant role in Alaska in establishing there various industries which do not exist in the United States."

Considerable interest has been aroused by a proposal put forward by Representative Hamilton Fish of New York to set up a Jewish state in Central Africa, in the Lake Chad region. The Paris newspaper *Excelsior* reported that preparations are under way to send a scientific expedition to French Equatorial Africa to study the possibilities for settling Jews in the region of Lake Chad.

On his return from Oslo at the conclusion of the annual congress of the Inter-Parliamentary Union, Mr. Fish was to visit Paris in order to discuss his scheme with the French Colonial Minister, M. Mandel, who is said to be particularly interested in it.

New Books of Interest in the Far East

Current History Interpreted

EUROPE ON THE EVE.—By Frederick L. Schuman. N.Y. Alfred A. Knopf. 1939. 573 pp.

Four men were responsible for the rape of Czechoslovakia and the subsequent crumbling of the system of alliances so laboriously set up by France and England in the post-war years. Two of these men were the dictators in Rome and Berlin. The two others were the leaders of two great democracies, Mr. Neville Chamberlain and M. Edouard Daladier. Of these two, the Briton had the whip-hand, for France, made impotent by five years of appeasement, was in 1938 at the complete mercy of her powerful ally.

Why did the two democratic leaders betray Czechoslovakia? They did so because they felt that the only alternative to surrender was war, in which they would have to rely upon the aid of Bolshevist Russia. With Russian assistance, the democracies would have had little trouble defeating Germany and Italy, but this would have led to the collapse of Nazism and Fascism and the rise of Communism, which the Tories were not prepared to face.

This, in a nutshell, is the thesis presented by Frederick L. Schuman, Professor of Government at Williams College, in his cruel and fascinating survey of "The Crises of Diplomacy, 1933-39." The work is cruel because it casts the searchlight of facts upon the figures which until six months ago were popularly regarded as heroic and whom the world had acclaimed as the saviors of peace. When the last chapter is done, Mr. Chamberlain, M. Daladier, M. Bonnet, the Cliveden Set, Pierre Laval and scores of other European leaders are put before the bar of public opinion as traitors to their people and countries, but not to their class.

Mr. Schuman is not a communist. He is not even a radical. He is merely an honest man, who, after a painstaking study of the facts, has discovered that he, together with hundreds of millions of other men, has been made the victim of a colossal hoax, in which a skilful manipulator — Mr. Chamberlain — has played upon his fears, ignorance and sympathies to secure the desired results.

The betrayal of Czechoslovakia was not necessary to maintain peace, Mr. Schuman holds, for the axis was not militarily prepared to wage war on the domocracies. It was, however, necessary if the conservative wire-pullers in England and France were to checkmate the spread of radicalism and to direct Germany's advance into an anti-Russian channel. To quote Mr. Schuman:

"There is no evidence, save the word of Neville Chamberlain, that Hitler was prepared to challenge such a coalition to war, since his defeat would have been a foregone conclusion. But it was precisely such a defeat—above all, a defeat in which the Red Army might play a major role—that Chamberlain and Daladier were most anxious to prevent. The Hradcany (Prague) and the Kremlin already knew that Paris would not defend Prague. Should Moscow then act alone?

"For Moscow to act alone might have been to play directly into the hands of Hitler and Chamberlain. Any diplomatic or military initiative by the U.S.S.R. might have rallied Tories everywhere to support of Der Fuehrer. The Government at Prague, moreover, was as much anti-Communist as Paris or London, despite Dr. Goebbels' allegations.... Capitulation to Fascism, even if it meant suicide, was deemed preferable to salvation if salvation could be had only with Communist aid."

Mr. Schuman minces no words in describing the successive steps by which Mr. Chamberlain and his allies betrayed their own peoples. Says he:

"....The steps from Godesberg to Munich were prearranged, as were the steps from London to Berchtesgaden and Berchtesgaden to Godesberg. This is not to say that the man from Braunau (Hitler) and the man from Birmingham wrote out between them the whole text of the play, with acts and scenes neatly timed and each player, including the dupes and dummies, assigned his precise role and his precise lines. This was unnecessary. As fellow politicians the two men understood each other without this. And if they played between themselves their own little game of threat and counter-threat, this play-within-a-play was also part of the larger plot. Authorship of this masterpiece was mixed. Hitler was ably assisted by Ribbentrop, Reichenau, Keitel and others, with the talented hand of Goebbels indicated at certain points. Il Duce was likewise helpful. Rydz-Smigly and Horthy furnished comic relief as ghouls. Chamberlain was aided by Sir Horace Wilson, by Simon, Hoare and Halifax, and by Vansittart and Cadogan in uncertain measure. Daladier, the baker's son, was stooge. Roosevelt was given a front seat among the spectators, half-persuaded that the play was real, and induced to hiss and clap at the proper moment—*pour encourager les autres*. Litvinov sat in the last row of the gallery, unable to change the playbill or warn the audience that most of what it beheld was optical illusion produced by mirrors. But almost alone among the onlookers he found the lines familiar and knew how the plot would turn out...."

The digging of trenches in London parks, the distribution of gas masks to babies, the mobilization of the air force and the deliberately semi-hysterical warnings that war was impending, were all, according to Mr. Schuman, devices to frighten the British and French peoples with the specter of war and thus secure their acquiescence in the betrayal of Czechoslovakia and the violation of British pledges. Col.

CHINA'S FATE AND AMERICA'S FUTURE

The recent action of the U. S. Government in abrogating the 28-year old commercial treaty with Japan brings to a close an interesting chapter in the relations of Japan and the United States. What will the next chapter disclose?

Through an interesting coincidence **THE CHINA WEEKLY REVIEW** published (July 22), just before the abrogation of the American-Japanese Treaty, an article written by Julean Arnold, American Commercial Attache, which provides the best possible background for an understanding of the significance of the recent Washington action.

Mr. Arnold's article has been reprinted in a 20-page pamphlet under the title, "China's Fate and America's Future." It may be obtained at the rate of five copies for $1. Since it constitutes the best explanation of the situation concerning the commercial relations of America-China-Japan, it should receive a wide circulation. Order a supply and mail to your friends and connections abroad.

Order a year's subscription ($14, including postage, in China) and you will receive a free copy of the Arnold pamphlet.

THE CHINA WEEKLY REVIEW

160 Ave. Edward VII—Telephone 14741

Shanghai, China.

Lindbergh, according to the author, also played a dishonorable part in the daring game of Mr. Chamberlain and the Cliveden Set by circulating a false report on the strength of the German and Russian air forces.

By wading through a mass of statements and news reports, Mr. Schuman discovers that the terms on which Czechslovakia was betrayed were decided by Viscount Runciman and the Conservative government weeks before the Munich Conference. This, of course, belied Mr. Chamberlain's subsequent declarations that the terms were "forced" upon him by Hitler at Munich and that he accepted them merely to preserve world peace.

One betrayal, Prof. Schuman holds, must lead to another. The next victim must be one or another of the minor European countries—Poland, Rumania, Yugoslavia or Bulgaria—coveted by the axis. The reasoning which impelled the Conservative government to deceive its people a year ago still holds good, for Russia is still a bogey. This view appears to be supported by the current negotiations in Moscow, in which Britain is placing every obstacle in the way of successful conclusion of the talks.

Mr. Schuman presents his thesis in the concluding chapter in the following words:

> "....The alarm of decadent ruling classes over threats to their prerogatives caused them to condone the rise of the Caesars as bulwarks against the menace of Moscow. They shrank from crushing the Caesars when they could still have been crushed without war. They shrank even more fearfully from war when they perceived belatedly that force alone could stop the onward march of those dedicated to the destruction of the State System. Victory in war would destroy the "protectors" of Property and open the gates to proletarian radicalism. Defeat in war would mean their own destruction. War was therefore forbidden not by the Pact of Paris but by the calculus of class interest. The Caesars were handed the keys to the fortress for the asking...."

The main value of Mr. Schuman's work is that every one of his conclusions is substantiated by page after page of quotations from official statements and from reports by reputable newspapermen. One may disagree with his thesis, but one cannot deny that it is so well buttressed by facts as to be unassailable.

M. G.

London Report Hints At Sterling Devaluation

The possibility of a devaluation of the pound sterling was mentioned in a *Transocean* dispatch from London on Aug. 19, which credited City circles with the belief that the decline of the pound in relation to the American dollar would probably be a subject of discussion between representatives of the British Government and Mr. Henry Morgenthau, U. S. Secretary of the Trasury, when the latter visits London in the near future.

Maintenance of the present exchange rate, namely, $4.68 to the pound sterling, was causing a heavy drain on the British exchange equalization fund, the report said. It was considered only a matter of time before the present exchange rate would have to be abandoned, allowing the pound to fall to a new level at which it could more easily be maintained.

U.S. to Replace Old Submarines Out Here

The U. S. Navy Department intends to replace six old 800-ton submarines of the Asiatic Fleet with six new 1,300-ton vessels in the spring of next year, according to reports from Washington. Such replacement, it was stated, will have no special significance and should not be regarded as a reinforcement of American naval forces in the Far East.

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